

WHITE PAPER

The CFO's guide to remote working

Businesses have now passed the one year mark of managing the effects of the Covid-19 pandemic. But what has this period of change and adaptation meant for CFOs – and what's next?

Here's what finance directors need to know to keep their companies operating as smoothly as possible in the new future of work.

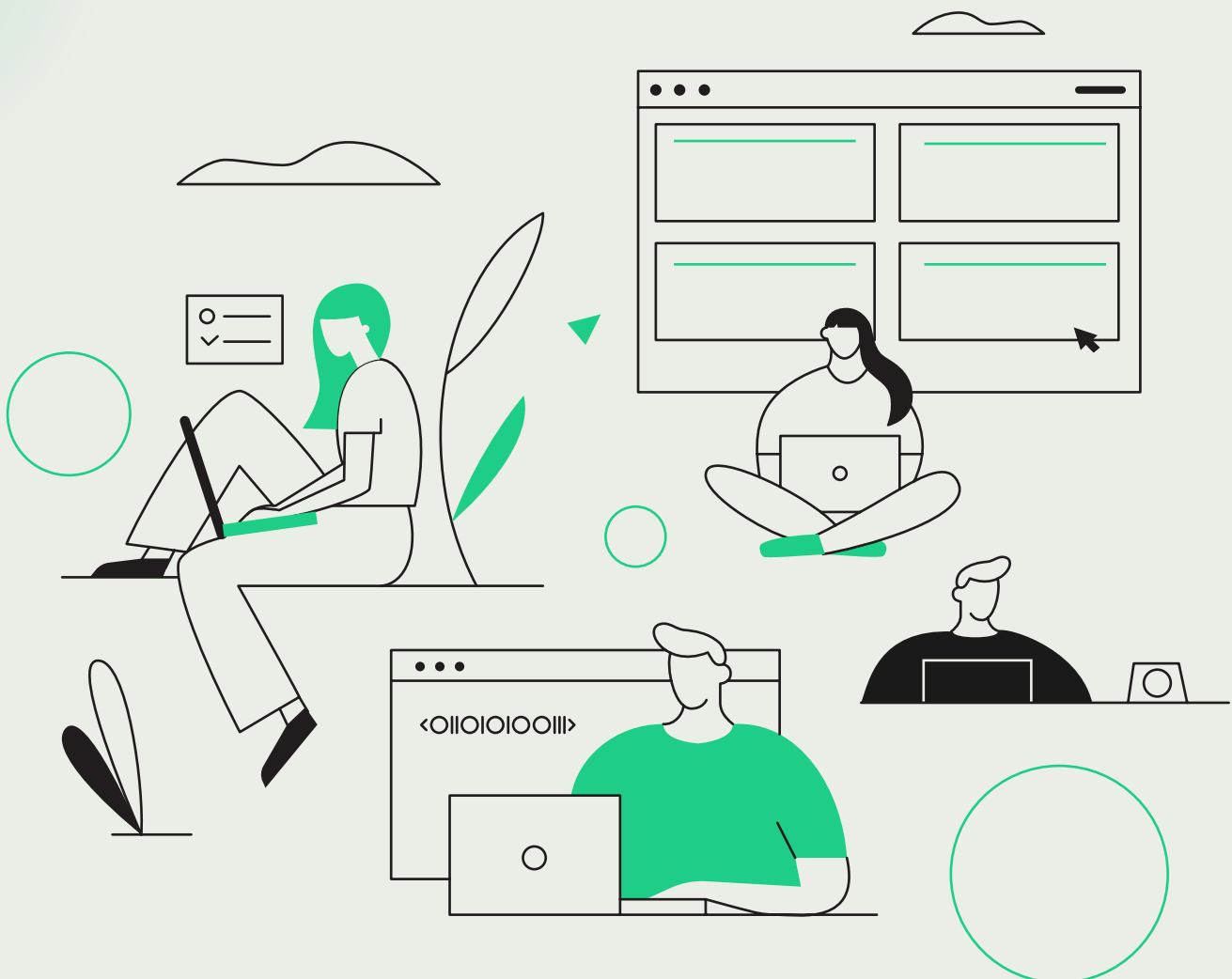
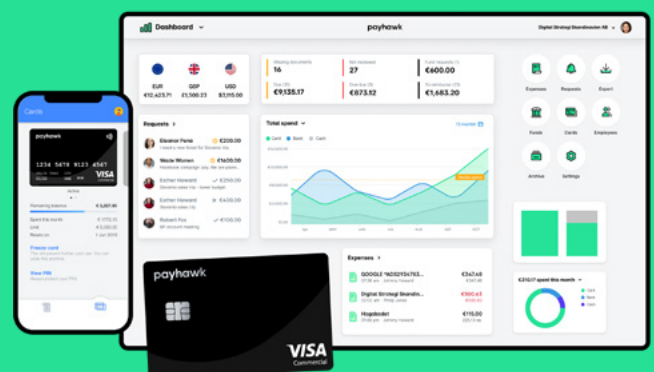


Table of content

- Page 2** **The pandemic has accelerated digital transformation**
- Page 3** **Key learnings for CFOs**
- Page 4** **3 challenges facing CFOs**
- Security
 - Visibility
 - Cross-border complexity
- Page 6** **Next steps for CFOs**
- Page 8** **The CFO's remote working checklist**

The easiest way to manage company finances

Payhawk combines credit cards, payments, expenses and cash into one integrated experience.



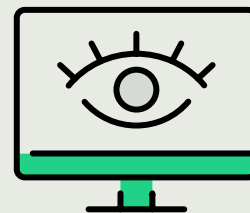
Due to the pandemic, almost every business has had to assimilate remote working into its day-to-day processes. What was previously a relatively small consideration has now permanently altered the way that finance leaders across the world approach work and manage their teams.

At the business level, it's opened up a range of exciting new opportunities. Expanding the hiring pool of highly skilled, highly educated workers from new locations has been a blessing for those suffering a talent shortage. Meanwhile, existing workers have benefited from greater flexibility to manage their work/life balance more effectively.

But these enforced shifts have also thrown a lot of challenges onto the plates of company executives. As we start to transition back to relative normality, there's still a lot to consider. To what extent should remote working remain part of whatever the "new normal" is? What, if any, are the downsides of having a decentralised workforce? Are there any processes that can be introduced or modified to help further improve the management of your department?

There are no right or wrong answers. Solutions vary from case to case and business to business, and are likely to involve a lot of trial and error to find the best fit. But as a CFO, there are certain critical things to be aware of. Here we'll talk through what you need to know, and how you can ensure you're making the most of the new environment.

The pandemic has accelerated digital transformation



A lot has changed during the pandemic – but for the most part, it has only accelerated trends that were already underway. Finance teams have so far been on the tail end of SaaS innovation, and haven't benefited from as much new technology as their teammates across the business. But there are two major trends that have started to gain traction within finance teams, and which aren't likely to slow down post-pandemic. Those are cloud computing and paperless management.

The huge leaps forward that cloud-based systems have achieved (both in capability and security) means it's now possible to minimise, or even eliminate the physical handling of paper. The concept of paperless economic management isn't a new one; the pandemic has simply acted as a catalyst by emphasising many of its benefits. Now, the regression to mainframe-based systems is almost unthinkable. While the requirements for document storage and recording still differ across borders, the general regulatory trend is likely to continue towards paperless systems wherever possible.

Finance teams that prioritised the digitisation of processes and made the move towards paperless management before Covid-19 likely found the shift to decentralised working easier. For them, less reliance on paper-based systems and manual admin made it quicker and easier for remote teams to collaborate. Those still dependent on archaic processes, like physical filing, struggled.

Key learnings for CFOs



Whichever end of the spectrum you're at, you should by now have an idea of what works for your team, and where challenges and pain points have arisen. You'll also have an idea of the extent to which remote working will be a part of your company's future. But even for those returning to the office full-time, those pain points still need to be resolved. Likewise, positive changes need to be maintained and incorporated into your strategy.

There have been a number of benefits for finance teams and the wider entire organisation. Cash may have been freed up which would otherwise have been spent on travel. You may no longer need all of the office space that you did previously, and you may have been able to hire experienced staff in locations with a lower cost of employment.

But there have also been complexities that weren't previously present. You may have experienced cross-border issues in hiring from new geographies. It may have become trickier to keep track of employee spend. You might have struggled to train and nurture junior staff without being by their side to monitor their learning process.

Either way, the fundamentals of your role and that of your department have not changed significantly. You still need to know where the cash in your business is, where it is going and where it is needed. You still need to minimise instances of misreporting, uncontrolled spending, unforecasted large transactions, and fraudulent activity. While the role of a CFO has slowly been evolving to one which generally encompasses more areas of business than in the past (in particular HR and technology), the core accounting responsibilities remain as important as ever.

So what are the key things for CFOs to be aware of as we move into the next phase of remote work, and how can you take learnings forward to ensure you reach critical financial and business goals?

3 challenges facing CFOs



There are three key areas that have taken on a greater level of importance since the onset of the Covid-19 pandemic, stemming from the increased level of remote working.

1 — Security

Companies have been transitioning to cloud-based systems and SaaS solutions for a long time, in order to optimise specific processes and digitise manual tasks. Now, with teams working from home, it's likely they need even more technology to collaborate and perform their jobs well.

The automation SaaS solutions deliver is highly beneficial from a team culture perspective, as employees have to spend less time on low-value, manual work. But the more solutions your company integrates, the more security risks have to be taken into account:

- External cyber attacks, which may be made easier if information is not being sent from companies' own offices, or being stored in a single source of truth.
- Human error, which may be more likely to occur when teams are not physically seated among one another and don't have immediate access to management and guidance.
- Fraudulent activity by unscrupulous employees.

There are also security concerns around spend management. This applies to larger corporate transactions, but also to the spending of individual employees, which may lead to other complications. The distribution of company credit cards to personal addresses may not be possible for security reasons. That causes further problems, as finance teams find themselves with less visibility and control over personal expense spending.

Solutions

There are a wide range of tech tools available to improve communication within remote teams (Slack, Asana, etc.). These can be used in conjunction with security systems which have also had to adapt to increased levels of usage by teams working remotely. Workflows can be more easily visualised to make sure that the correct procedures are followed for large transactions in relation to necessary approvals. By putting recorded, auditable processes in place, the risk of errors and fraudulent activity can be greatly reduced, even when teams are not physically together.

2 — Visibility

Remote working creates additional layers of spending that you may need to keep track of. This could be anything from home office furniture purchases to software subscriptions. Given the bottom-up nature of this spending, it can be difficult to accurately forecast and keep track of the level of spending taking place. It's even more complicated for organisations with a large number of employees across several countries.

Solutions

Fully integrated payment platforms can not only provide you and your team with a huge amount of transparency in relation to real-time spending, but also allow for vastly improved budgeting and forecasting to take place. They enable you to set spending levels and shared budgets for subscriptions, projects or initiatives across teams.

3 — Cross-border complexity

The benefits of hiring remote, distributed employees are offset somewhat by the difficulty of navigating rules and regulations across different jurisdictions. There are a lot of complexities surrounding the management of employee payment, as well as legal and tax considerations. Google fell foul of this in 2020, when it had to ask employees who had elected to work from abroad to return to countries of employment (such as Ireland) in order to satisfy tax and legal requirements. This is just one illustration of how the apparent flexibility afforded to remote, or hybrid working teams can add complexity to financial management.

Solutions

Liaise with other departments, especially legal, to ensure that employees spend the requisite amount of time in the correct place to comply with local legislation. Some finance technology can help automate and streamline this process, and ensure your team stays compliant.

Next steps for CFOs



As we move into the next phase of remote working, the questions to ask yourself should be:

- 1 — *How can you take the learnings and challenges of remote working so far into the next phase of work?*
- 2 — *How will you tackle security, visibility and cross-jurisdictional complexity as your remote team grows?*
- 3 — *Do you have the right technology in place to remove the manual burden of managing these processes?*

The good news is that there are many more resources available now than there were a year ago to help:

- **Technological** — the increased use of applications and cloud-based systems that facilitate remote working means you now have new and improved tools to help reduce reliance on physically being in the office.
- **Shared experience** — you and your colleagues have now been doing this for over a year, which means that the “shock” phase should have passed. The culture of remote work is something that can be more easily discussed.

In short, you should be in a much stronger position to transition more smoothly between remote and centrally-located (office) working in the future.

It is important to note however, that buying tools off the shelf won't be enough to solve the specific complexities of your business. Customisation is crucial to making the most of the new tools you have at your disposal. Platforms like Payhawk offer one centralised place to manage all your company's spend and finance operations. It delivers complete transparency, and integrates seamlessly with your other systems. That frees you and your team up to perform higher-value, strategic duties – wherever you are.

The CFO's remote working checklist



1 — Settle on Strategy

- ✓ Settle on whichever remote working policy is best for your organisation - 100% remote, part-time, hybrid or onsite model.
- ✓ Define strategy for hiring - if hiring cross-border, make sure you know from which countries this is possible.
- ✓ Ensure you are fully up-to-speed on any local or international regulation regarding legal and tax requirements.

2 — Optimise Tech Infrastructure

- ✓ Review all existing systems and processes in light of changes that have resulted from remote working.
- ✓ Make the most of tech solutions at your disposal to keep on top of company spend, expense management and reporting.
- ✓ Ensure effective communication around the implementation of any new tools that have been integrated.

3 — Test and Adapt

- ✓ Make sure that any changes relating to remote working are assessed for effectiveness.
- ✓ Get feedback that is specific to remote working on any new processes, and modify where necessary.
- ✓ Periodically review these processes (at least annually) for potential refinements.

Our story

Payhawk is the financial system of tomorrow that combines credit cards, payments, expenses, cash management and pre-accounting automation into one integrated experience. Payhawk was founded in 2018 and currently serves customers across 18 countries in Europe from its offices in London, Berlin, Barcelona and Sofia. Payhawk disrupts the expense management market by combining financial and software products into a single platform.

The product is available for any registered business in Austria, Belgium, Bulgaria, Croatia, Republic of Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Germany, Greece, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, Netherlands, Poland, Portugal, Romania, Slovakia, Slovenia, Spain, Sweden, and the United Kingdom.

[Use Cases](#)[Podcast](#)[Customer Stories](#)

London Office

18 St Cross St, EC1N 8UN
London, United Kingdom

+44 20 3318 4187



Sofia Office

31 Alexander Malinov Boulevard, 1729
Sofia, Bulgaria

+359 2 491 7152



Berlin Office

Kraußstraße 9-10, Mindspace 10117
Berlin, Germany

+49 30 89677 9289



Barcelona Office

Carrer de Paris 141, 4, 4
08036, Barcelona, España.

+34 932712328