



How can the CFO drive Transformation?

Jonathan Smare

Finance Lead – Enterprise Transformation AWS

CFO Edge

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About me

- Background in business transformation and change
- Finance and Strategy roles at Hewlett-Packard, Madge Networks and Cisco Systems
- 20 years at Cisco with roles such as EMEA Corporate Controller, CFO of Emerging Markets, and Head of EMEA Sales Strategy and Operations
- Joined AWS as an Enterprise Transformation Executive and Finance Lead in September 2018
- Passion for racing classic cars



Today's talk

Business challenges

**Amazon's
journey**

**The enterprise
of the future**

**Building a
modern digital
enterprise**



Business challenges are accelerating

Market disruption is happening now

Example : S&P 500



41%

replaced since 2000 ⁽¹⁾



75%

expected to disappear by 2027⁽²⁾

Source: 1. Accenture 2. Mckinesy

Change is accelerating

- Increasing economic volatility
- Focused digital disruptors
- Changing customer expectations
- Stakeholder focus on sustainability

But this is just the beginning

- AI/ML
- IOT
- Blockchain
- Autonomous things

.....the most agile will thrive

The Digital CFO : Sponsor and Data Steward of the Data Driven Enterprise

>80 % of CFO's say they are more focused than ever on :

- identifying new business value
- driving business-wide change
- exploring new disruptive technologies
- preparing for volatility

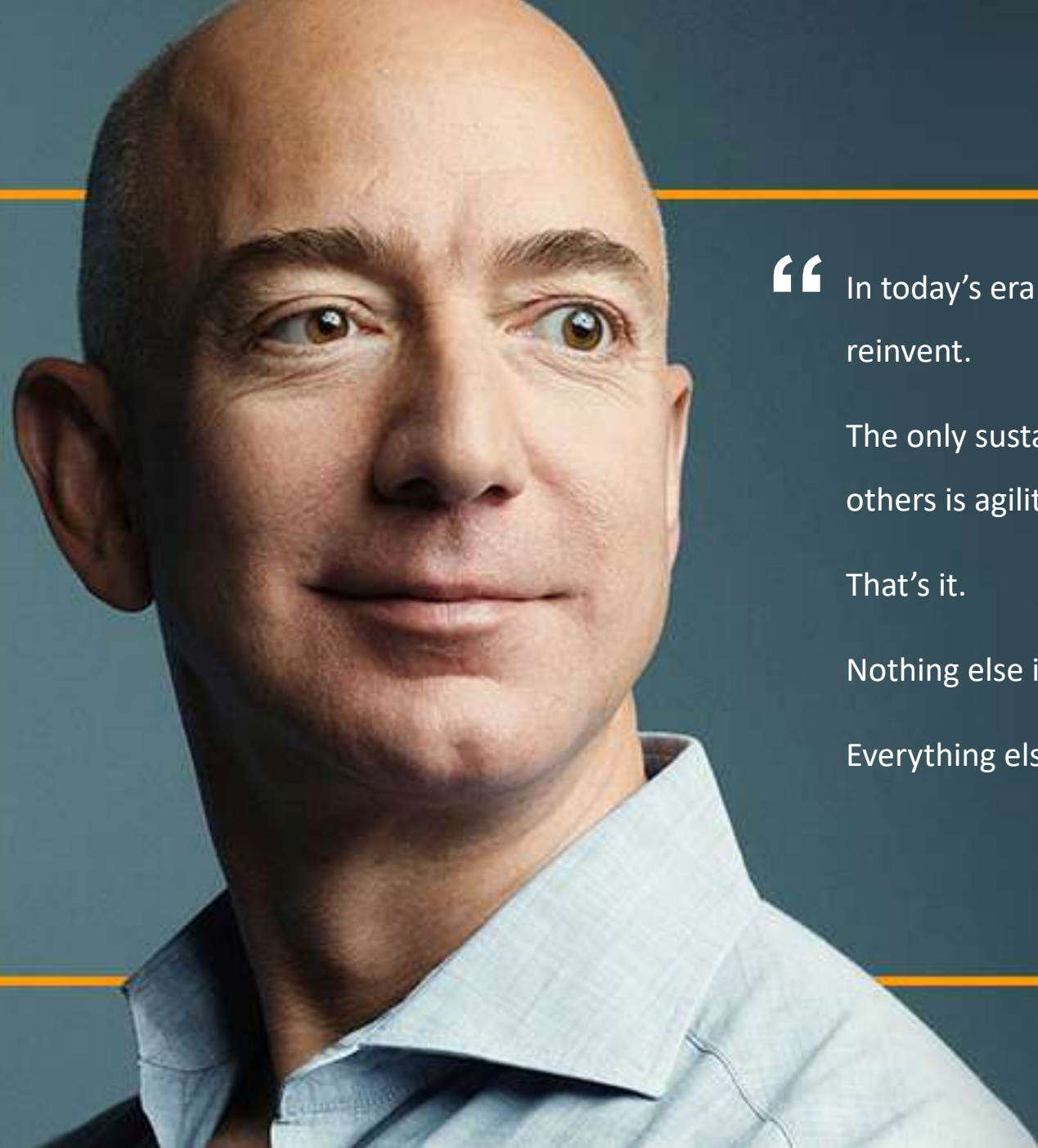
CFO's play a critical enterprise wide leadership role

Source: Accenture CFO Survey 2019





Amazon's own journey



“ In today’s era of volatility, there is no other way than to reinvent.

The only sustainable advantage you can have over others is agility.

That’s it.

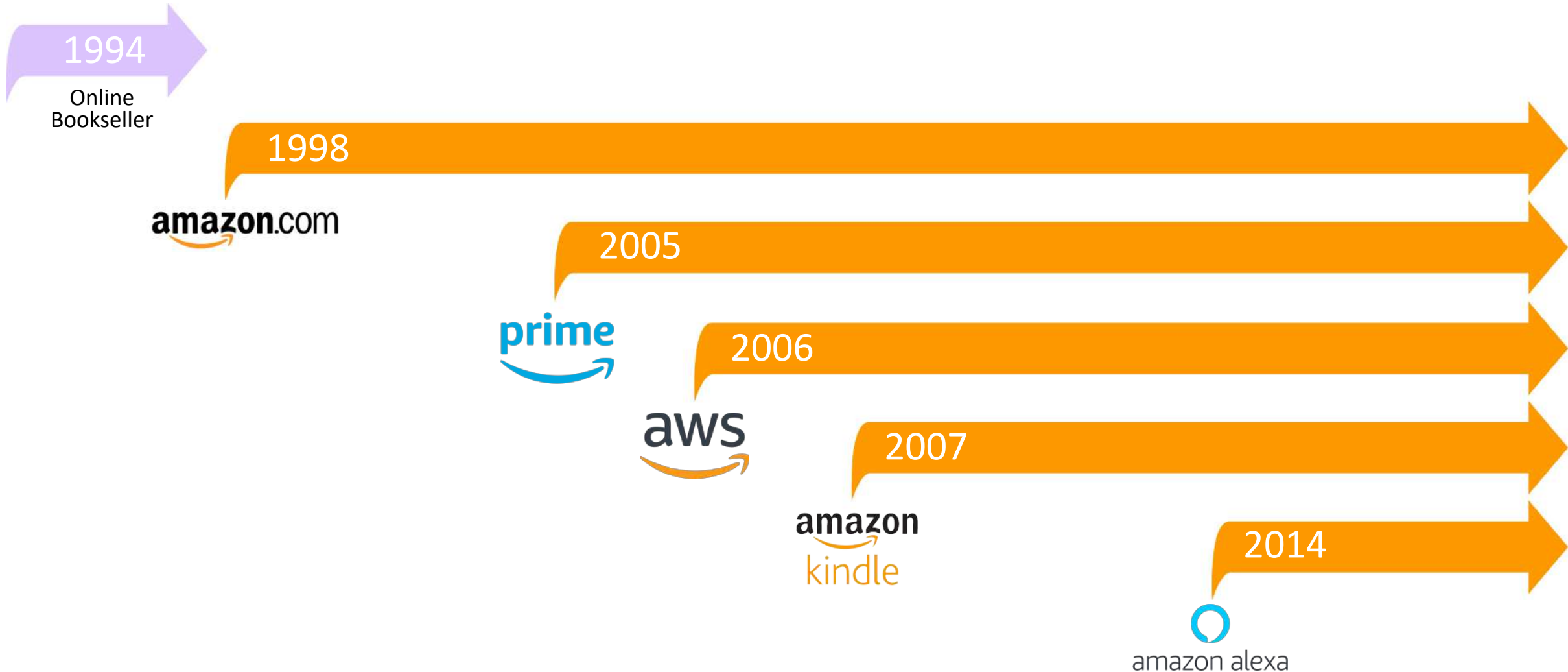
Nothing else is sustainable.

Everything else you create somebody else will replicate.

”
— Jeff Bezos

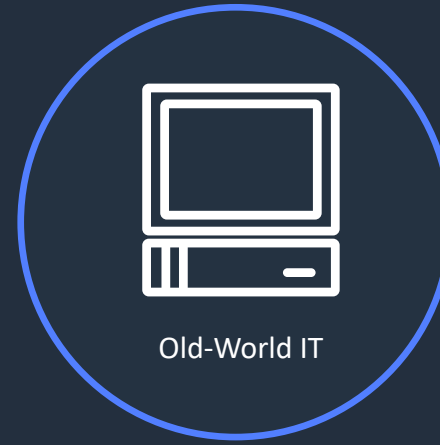
Amazon – Earth's most customer centric company

Building data driven companies that re-invent with customers



Amazon in 2001 – IT struggling to keep up

- Centralized command
- Large teams
- Long dev cycles
- Difficulty scaling
- Slow to respond



Old-World IT

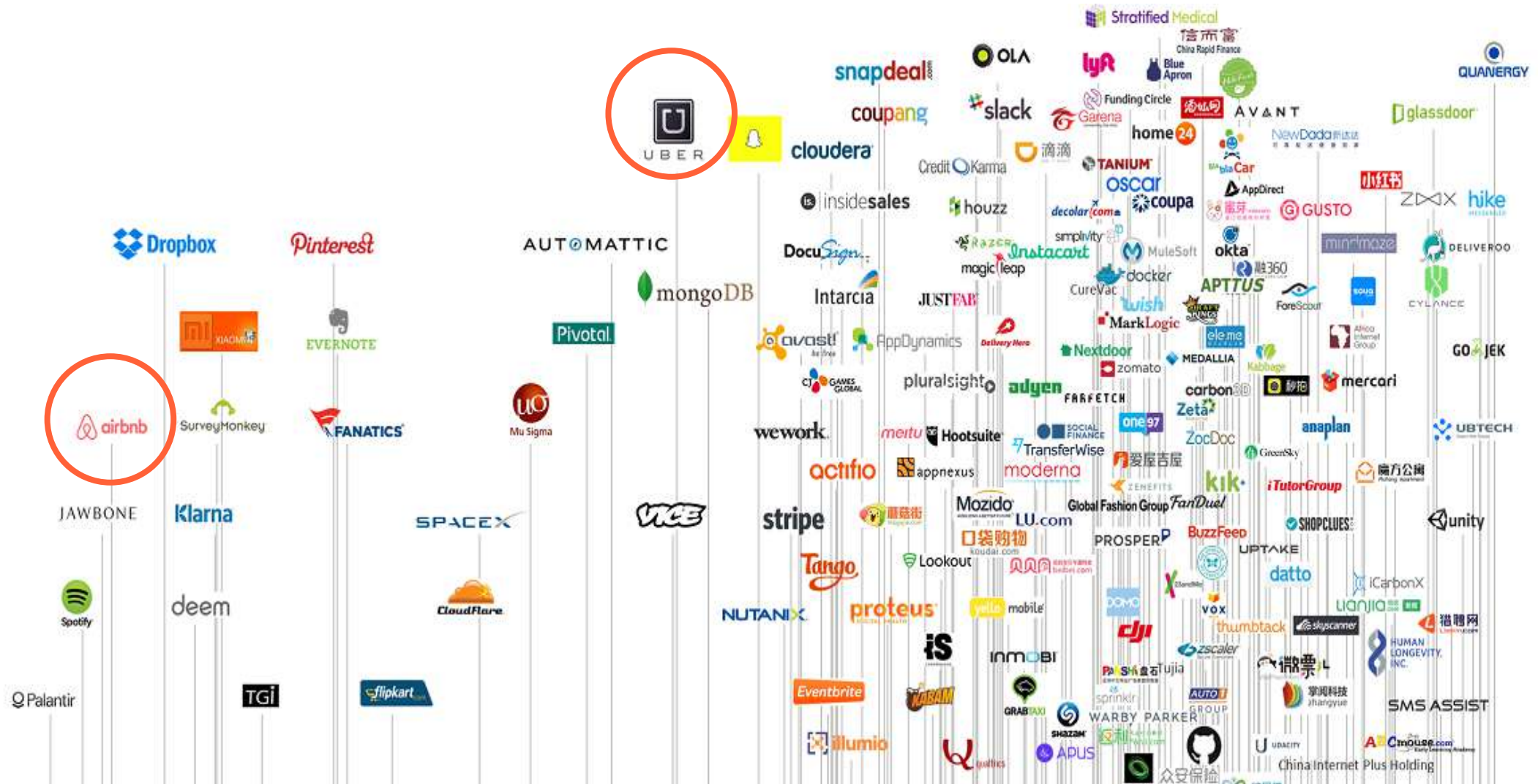


Amazon today – Diverse, decentralized and scalable IT

- Organized into small autonomous teams
- Constant change of decoupled microservices architecture
- Enabled by the cloud
- Allows for constant innovation and failure



Born in the Cloud : Innovating, hyper-scaling and disrupting



The background image is a blurred, long-exposure photograph of a modern transit station, likely a train or subway station. The scene is filled with people walking, their figures blurred into streaks of motion. The architecture features large glass panels and metal structures. On the right side, there are vertical signs with Chinese characters and arrows. A large teal geometric shape, resembling a triangle or a stylized arrow, is overlaid on the left side of the image. The text "The enterprise of the future" is centered in the middle of the image, overlaid on the blurred background.

The enterprise of the future

What's stopping digital transformation

20th-century organizations

Designed to scale
with stability
and predictability

Focused on
operational excellence,
efficiency and cost in a functional
structure

Lack focus on
Innovation

Low frequency of change

Attributes of successful 21st-century enterprises

New business models

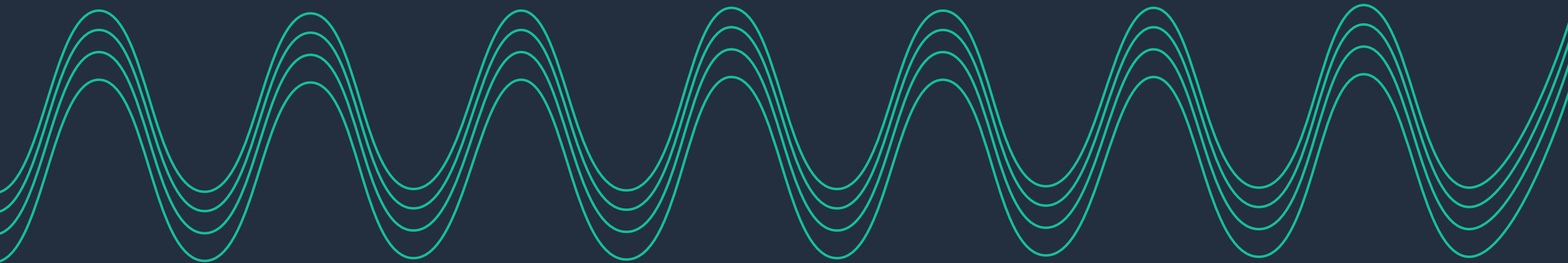
- New Valuation models
- New Consumption models for inputs and outputs

New work culture

- Innovation and reinvention everywhere
- Internal start ups and digital outbreaks

New organization models

- Small, business lead cross-functional teams
- Partnerships and eco-systems



High frequency of change

Digital CFO – enabling the evolution to a modern digital operating model

Key Attributes	Traditional	Modern Digital
1. Decision making	1. Top down	1. Data driven, with empowerment
2. Process focus	2. Functionally siloed	2. Cross functional, enabled by combinatorial tech
3. Organisation & workforce	3. Vertical Integration	3. Leverages ecosystem talent and capabilities
4. Technology	4. Centralised IT	4. Business-led tech
5. Culture	5. Operational excellence	5. Innovation and agility
6. Metrics and incentives	6. Focus on stability, predictability & standardisation	6. Customer obsessed

New economics

New markets

New customer experiences

New digital products & services


Creating value in a digital enterprise

Connect customers to services

 **airbnb** connects empty rooms to travelers

Uber connects commuters to cars

Accelerate buying or usage

 **AdRoll** places bids faster and better

 **Capital One** re-imagines customer banking

Improve customer experiences

 **amazon**
shares trusted reviews and recommendations

JOHN DEERE
anticipates crop yields, risk and insurance

Drive operational excellence

 **Veritas** avoids downtime with predictive maintenance

 **GE** improves operational efficiency and cost

INTERNET OF THINGS



JOHN DEERE

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Bank**

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reimagined banking

Cloud enables the data driven modern digital enterprise

Informed, data-driven decision making

- Customer feedback
- Multi-stream data sources

High-speed low cost experiments

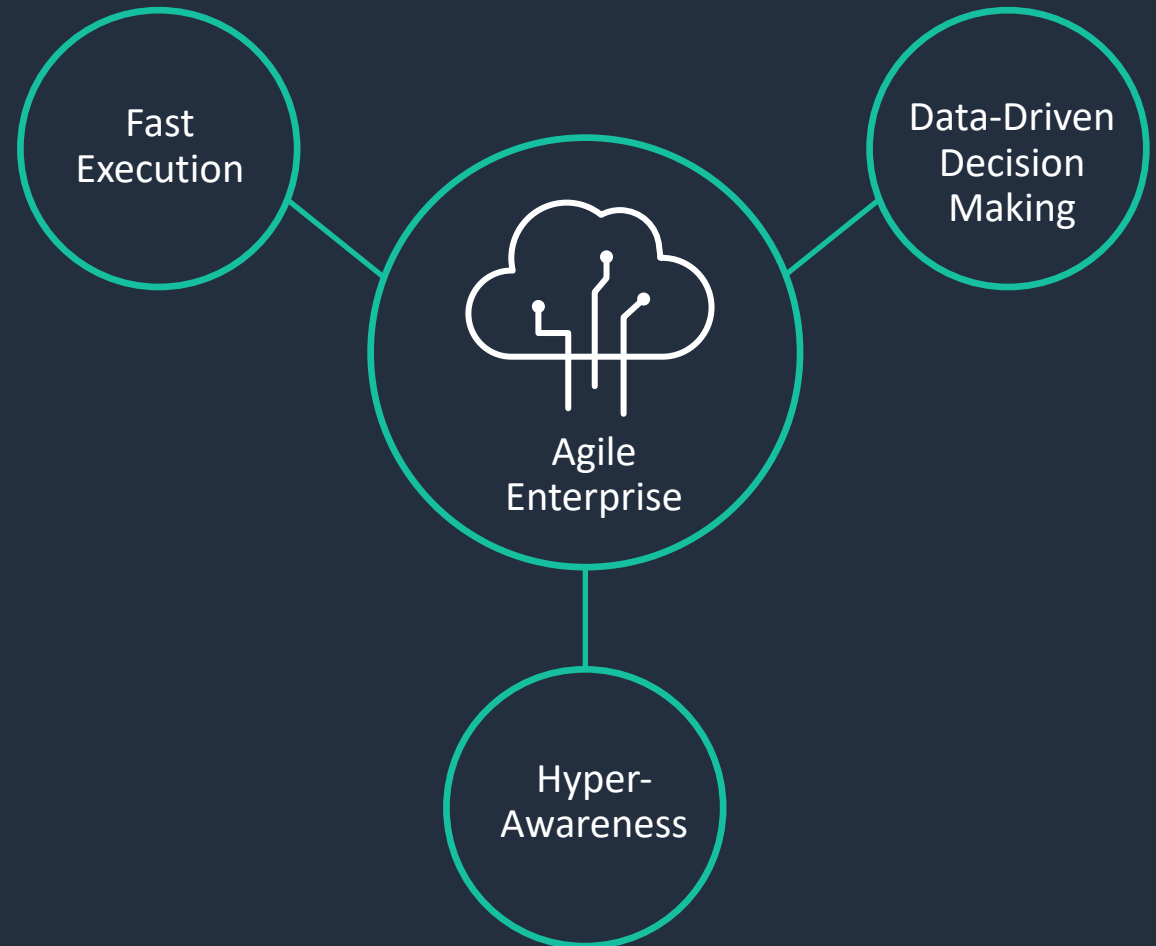
- Microservices

Innovations that scale quickly

- Low latency / Global scaling

Foundational for emerging technologies

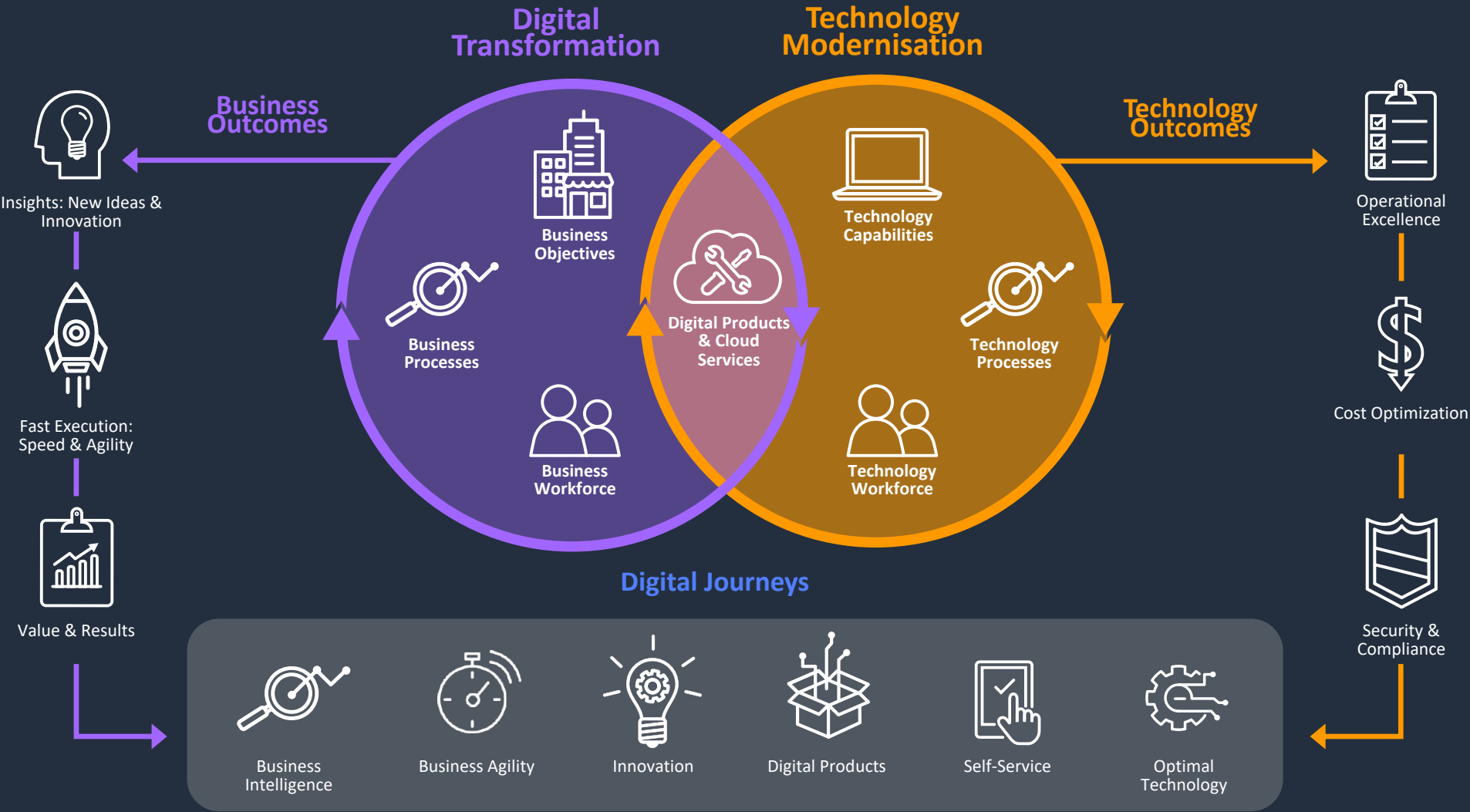
- IOT, AI/ML, Blockchain, Autonomous things



A modern office interior with glass partitions and people working. The scene is captured with a motion blur effect, suggesting a fast-paced environment. In the foreground, a woman in a dark blazer is walking towards the right, carrying a folder. In the background, several people are seated at long wooden desks, working on computers. The office has a clean, minimalist design with white walls, wooden floors, and glass walls. The lighting is bright and even. A large purple triangle is on the left side of the image, partially obscuring the text.

Building a modern digital enterprise

Building a modern digital enterprise



Leading Business Transformation

- Work backwards from your strategy
- Focus on your differentiation
- Prioritise your Transformation Journeys
- Build Partnerships and Eco-systems for your long term journeys

The CFO's role as champion and sponsor is critical



Culture change is hard

- Champion new ways of working
- Ensure your culture supports innovation and agility
- A journey, a competency, not a destination
- Constant Exec messaging
- Celebrate quick wins and recognise new heroes
- Sponsor “Lighthouse” projects to incubate adoption

CFO's need to encourage a culture of innovation/failure



Digital CFO – leading by example

Timely, actionable insight

Data steward: create a shared single source of truth

Explore assetisation and monetization of data

Accelerate time to insight with automation

Enabling self-service and predictive analytics

Agile business support

Use continuous closing and re-planning to enable real/near real time reporting

Accelerate process changes and new service delivery

Accelerate time to value of M&A/divestiture/restructuring

Streamlined operations

Automate repetitive tasks to improve efficiency

Streamline processes with digital workflows

Use automated monitoring and alerts to strengthen compliance and risk management

Next steps for Digital CFOs

Build your digital transformation plan

- Work backwards from your strategy
- Focus on your differentiation
- Prioritise transformation journeys
- Champion new ways of working

Start small but just get going on your journeys

- Sponsor digital outbreaks and internal start ups
- Test your culture supports innovation and agility
- Lead by example : transform Finance





Thank you!

Jonathan Smare: jsmare@amazon.com

LinkedIn: <http://linkedin.com/in/jonathan-smare>