

Overcoming transformation fatigue in finance

From endless change to enduring confidence

June 2026



The better the question.
The better the answer.
The better the world works.



Shape the future
with confidence

Executive summary

What if the biggest risk to your finance transformation is not failure – but fatigue?

In a world of relentless change, transformation fatigue is eroding confidence in finance. This thought leadership paper reframes the problem not as resistance to change, but as a design flaw and lays out a bold path from exhaustion to enduring confidence – unlocking a bold new era of agentic finance built on trust, clarity and empowered judgment.



“Transformation fatigue” – The new risk in finance:

After a decade of continuous transformation – from enterprise resource planning (ERP) upgrades to analytics initiatives – many chief financial officers (CFOs) and finance leaders find that despite heavy investments, confidence in financial outcomes has not increased proportionately. This imbalance between ever-increasing effort and stagnant trust has given rise to transformation fatigue, where change itself starts undermining performance.



Not resistance, but misalignment:

Transformation fatigue is not a sign of resistance to change or a lack of technology adoption. Instead, it is a symptom of misaligned transformation design – the result of driving change for the sake of delivery rather than for building trust and clarity in financial results.



The confidence deficit: Fatigued finance functions often exhibit more controls, committees and reports, yet slower decisions and lower conviction. The paradox is that efforts to reduce risk through nonstop projects can create new risks – organizational drag, talent burnout and declining decision quality – because underlying issues of confidence remain unresolved.



Pivot to confidence-led transformation:

The way forward is to shift from activity-driven transformations to confidence-led finance operating models. This means focusing on fewer, sequenced initiatives that explicitly hardwire trust, clarity and accountability into processes and systems, rather than launching wave after wave of projects with ambiguous value.



Towards an “agentic” finance model:

With a foundation of confidence in place, forward-looking organizations can advance to agentic finance operating models, where auditable digital agents manage routine, governed tasks and humans are redeployed to higher-value activities such as judgment, analysis and strategic decision-making. This not only boosts efficiency but strengthens accountability and insight.



Actionable leadership imperatives:

To break the cycle of transformation fatigue, finance leaders should: design for trust from day one, measure confidence (not just project completion), redesign controls rather than keep adding new ones, treat exceptions as insights into process design gaps and elevate human judgment as the ultimate measure of transformation success.

By following these imperatives, CFOs can reclaim a sense of strategic momentum and build a finance function defined by trust and agility – not endless change.



Kumar Gaurav

Partner, Finance Transformation, EY India

The perils of constant change: Navigating risks on the transformation treadmill

CFOs and finance leaders have spent years driving relentless waves of change in their organizations. Once viewed as the organization's stewards of stability, finance teams are now expected to be engines of continuous transformation. Over the past decade, many have implemented new ERP systems, expanded shared services, rolled out analytics platforms, automated processes and pursued AI pilots – often in rapid succession with little time to pause. Each initiative is rational (even necessary), but collectively, they have created a new risk: **“transformation fatigue.”**

Crucially, this is not about an unwillingness to change. Finance professionals generally understand the need to modernize. Rather, transformation fatigue sets in when change becomes constant, the anticipated benefits remain unclear and the finance function is expected to deliver flawless control while continuously reinventing itself at the same time. In these conditions, even well-intended change efforts can exhaust the organization.

The symptoms are subtle but telling!

Finance may add more reviews, checkpoints and controls yet end up with slower decisions and lower confidence in those decisions. Multiple transformation programs run in parallel, straining leadership attention and the same pool of talent. Decision-making starts to lag as weary teams grow cautious and risk-averse out of sheer exhaustion. Governance committees and dashboards multiply, but clarity about who is accountable for what actually diminishes. And despite all the activity, teams struggle to pinpoint real improvements to business outcomes – a clear sign of value ambiguity in transformation efforts.

The paradox is striking!

In trying to reduce risk through nonstop change, finance can inadvertently create new kinds of risk – eroding organizational agility, burning out talent and undermining the very decision quality these projects aimed to enhance. Simply put, when every quarter brings another major initiative, the act of changing itself becomes a threat. Finance ends up checking more but deciding less, mustering extraordinary effort to verify data and controls while strategic decisions get delayed or deferred. By keeping “humans in the loop” for every process in hopes of maintaining control, the function risks paralysis by analysis, where accountability blurs across myriad tools, models and committees. At this stage, transformation is no longer boosting performance – it is constraining it.

Not a resistance to change: A design problem

Transformation fatigue is a significant challenge within finance, often attributed by leadership to change resistance, inadequate training or employee burnout.

However, this explanation is insufficient.

Extensive evidence from finance transformation initiatives indicates that fatigue arises not from reluctance, but from misalignment in transformation design. Studies suggest that transformation fatigue results when initiatives are structured for delivery rather than fostering trust. Without deliberate efforts to build confidence in new systems and their outputs, anticipated benefits remain unrealized and skepticism increases.

Fatigue is a logical response to frequent disruptions that fail to enhance efficiency or facilitate decision-making. In finance, transformation fatigue should be interpreted as an indicator of underlying issues in execution. Typically, it reflects a disconnect between the ambitious objectives of transformation programs and the actual value delivered, or between additional control measures and the assurance they provide. If each automation or reporting enhancement still requires managers to verify data manually and employ workarounds, the root cause is not resistance to change, but insufficient attention to building trust in systems and data.

Leading finance functions address this challenge by designing every change initiative to be straightforward, strategically sequenced and focused on improving decision-making, rather than merely achieving IT milestones. Finance operations are uniquely susceptible to fatigue due to

continuous obligations such as month-end closing, audits and compliance reporting, which should proceed uninterrupted during transformations. The function's fiduciary responsibility demands high accuracy, prompting cautious practices and validation steps that become onerous under constant change. Furthermore, finance transformations are expected to deliver not only efficiency but enhanced insight and decision capability; when strategic benefits are delayed, enthusiasm diminishes and fatigue sets in.

The Indian business environment introduces additional complexities. Many large enterprises in India have implemented consecutive ERP upgrades across decentralized structures. Persistent challenges in data quality and process ownership enable manual interventions to remain prevalent. The rise of Global Capability Centers (GCCs) has centralized finance activities, yet without concurrent enhancements in governance and decision authority, existing confidence issues are merely relocated instead of resolved. Increased regulatory scrutiny compels teams to layer new controls atop existing frameworks, rather than fundamentally redesigning them. Moreover, the competitive talent market means skilled finance professionals anticipate higher-value responsibilities; when transformation maintains focus on reconciliations and manual tasks rather than analysis and advisory roles, dissatisfaction grows. Consequently, the familiar outcome in India and elsewhere is more systems and reports, but no proportional increase in trust – a confidence shortfall perpetuating transformation fatigue.

From activity-driven to confidence-led: A new transformation playbook

How can finance leaders break out of this cycle?

The solution lies in rethinking approaches to change. Rather than launching numerous initiatives, CFOs should emphasize building confidence over increased activity. This requires focusing on improved outcomes rather than simply implementing additional programs or systems.

Transitioning from "control for control's sake" to greater clarity in decision-making is essential: new governance measures should clarify roles and decision thresholds instead of creating unnecessary bureaucracy. Furthermore, it is critical to redefine the role of personnel within processes, shifting from monitoring automated outputs to assuming accountable ownership of decisions, leveraging advanced analytics and AI to enhance insight rather than evade responsibility. As finance adopts models that foster transparency and trust, fatigue associated with constant change diminishes.

Incorporating confidence as the driving objective requires a new perspective!

A confidence-led finance operating model intentionally integrates trust into its processes. For example, organizations establish end-to-end traceability of financial data, so that each figure is explainable from entry to final reporting. Decision ownership is made explicit, eliminating ambiguity regarding responsibilities and authorities. The goal is to reduce exceptions and enhance transparency, using deviations as learning opportunities rather than recurring issues. Controls are embedded proactively within systems and workflows, reducing the need for supplemental checks after incidents. Establishing structural trust in data and procedures reduces manual oversight and firefighting, enabling finance teams to allocate more time to value-adding activities. Ultimately, transformation success should be measured not by the scale of technology adoption but by improvements in team confidence and agility in delivering insights and assurance.

A confidence-led transformation ultimately enables the finance function's evolution toward an agentic operating model. With trust and clarity established, routine, governed finance tasks may be delegated to digital agents – advanced algorithms and robotic process automation (RPA) bots – with well-defined rules and audit trails. In this model, human resources are redirected from transactional duties toward tasks requiring judgment, such as scenario

planning, risk assessment and strategic advisory. Rather than diminishing accountability, this approach strengthens it: finance professionals devote more attention to decision-making while automated agents support transparency and reliability in operational processes.

This strategy is not designed to remove humans from finance but to concentrate their knowledge where it has the most impact. These confidence-driven, technology-enabled models allow finance departments to thrive amidst increasing complexity without succumbing to fatigue.

Past decade: The transformation treadmill

Over the 2010s, finance leaders pursued successive rounds of modernization – new ERPs, reporting systems, analytics and automation – often without pause. Each program was well-intentioned, but together they put finance on a transformation treadmill, where effort and complexity kept rising while confidence in outcomes did not. This laid the groundwork for today's transformation fatigue.

Today: Pivoting to finance confidence

Leading CFOs are recognizing that the solution to fatigue is not more initiatives, but smarter ones. The new priority is to design transformations that build confidence – focusing on transparency, trust in data and decision clarity – rather than just pushing out new systems or processes.

Future: The "agentic" finance model

With confidence in place, some pioneer organizations are moving toward agentic finance: routine finance tasks are delegated to trusted digital agents under strict governance, while human professionals concentrate on high-value activities such as analysis, scenario planning and strategic decision-making. In this model, technology does not replace people – it augments their capacity, enabling finance to be more agile and insightful.

Five imperatives for finance leaders

Achieving a confidence-led, agentic finance vision requires more than slogans – it demands deliberate action from finance leaders. Drawing on lessons from successful transformations, five leadership imperatives emerge as critical to overcoming transformation fatigue:

- 01 Make confidence a design objective from day one:** Do not assume trust will somehow develop after a new system is implemented – it should be intentionally engineered into the transformation process. Every project should start with a clear plan for how it will increase transparency, reliability and business confidence in the numbers.
- 02 Measure confidence, not just adoption:** Go beyond traditional KPIs such as on-time delivery and user adoption. Include metrics that track confidence in the outputs – for example, monitor manual workarounds, adjustment entries or the frequency of report overrides and data reconciliations required. These “confidence metrics” (e.g., declining manual adjustments or faster issue resolution) are the true barometer of whether a transformation is making a difference on the ground.
- 03 Redesign controls – do not just keep adding more:** If a new tool or process goes live but the old checks and reconciliation steps all stay in place, fatigue will deepen. Each transformation is an opportunity to streamline and refine the control environment. Finance leaders should resist the instinct to pile on extra layers of approvals and reports; instead, rationalize controls by designing processes that are right-sized and risk-focused from the start. Remember, controls exist to enable confident decisions, not paralyze them.
- 04 Treat exceptions as insights, not just errors:** High volumes of exceptions – whether frequent manual journal entries or recurring reconciliation breaks – are telling you something. Rather than viewing exceptions simply as failures to be fixed quietly, treat them as valuable signals of process design gaps or data quality issues. By making exceptions visible and analyzable, finance can learn where systems or processes need strengthening, leading to better long-term solutions and less firefighting.
- 05 Elevate human judgment over manual effort:** The ultimate aim of transformation is not to eliminate people but to refocus people on what they do best. That means freeing finance talent from rote reconciliations and low-value monitoring, and empowering them as strategic advisors and decision-makers. A key question for any initiative is: will this increase the time our finance team spends on analysis, insight and decision support or decrease it?

Successful transformations are measured by how much they increase the effective use of human judgment, not just by how many processes they automate.

Conclusion

From fatigue to forward momentum

Finance transformation fatigue is not a verdict against change itself — it is a clear call to change the approach to transformation. Organizations do not get tired of genuine improvement; they get tired of cycles of change that do not translate into better outcomes. The true test for any new finance transformation should be whether it builds enduring confidence. As one senior finance leader put it, the central question is now, “Which transformations genuinely increase decision confidence — and which ones merely create more motion?”

For CFOs and finance leaders, the message is both urgent and hopeful. By refocusing on trust, clarity and impact, it is possible to break the cycle of perpetual transformation and replace fatigue with renewed momentum. The goal of finance change is not to keep changing but to achieve a state of trust, clarity and conviction in the numbers that drive decisions. By applying a confidence-led lens — and holding themselves and their teams accountable to the imperatives above — finance leaders can transform less but transform smarter. Those organizations that pivot to this approach will not only conquer transformation fatigue; they will unlock a finance function that is equipped to lead in an increasingly complex and uncertain environment. The time to act is now: redefine success in transformation not by the volume of change but by the lasting confidence it creates.



Our offices

Ahmedabad

22nd Floor, B Wing, Privilon
Ambli BRT Road, Behind Iskcon
Temple
Off SG Highway, Ahmedabad - 380
059
Tel: + 91 79 6608 3800

8th Floor, Building No. 14A
Block 14, Zone 1
Brigade International Financial
Centre
GIFT City SEZ
Gandhinagar - 382 355, Gujarat
Tel + 91 79 6608 3800

Bengaluru

12th & 13th Floor
"UB City", Canberra Block
No.24 Vittal Mallya Road
Bengaluru - 560 001
Tel: + 91 80 6727 5000

Ground & 1st Floor
11, 'A' wing
Divyasree Chambers
Langford Town
Bengaluru - 560 025
Tel: + 91 80 6727 5000

3rd & 4th Floor
MARKSQUARE
#61, St. Mark's Road
Shantala Nagar
Bengaluru - 560 001
Tel: + 91 80 6727 5000

1st & 8th Floor, Tower A
Prestige Shantiniketan
Mahadevapura Post
Whitefield, Bengaluru - 560 048
Tel: + 91 80 6727 5000

Bhubaneswar

8th Floor, O-Hub, Tower A
Chandaka SEZ, Bhubaneswar
Odisha - 751024
Tel: + 91 674 274 4490

Chandigarh

Elante offices, Unit No. B-613 & 614
6th Floor, Plot No- 178-178A
Industrial & Business Park, Phase-I
Chandigarh - 160 002
Tel: + 91 172 6717800

Chennai

6th & 7th Floor, A Block,
Tidel Park, No.4, Rajiv Gandhi
Salai
Taramani, Chennai - 600 113
Tel: + 91 44 6654 8100

Delhi NCR

Aikyam
Ground Floor
67, Institutional Area
Sector 44, Gurugram - 122 003
Haryana
Tel: + 91 124 443 4000

3rd & 6th Floor, Worldmark-1
IGI Airport Hospitality District
Aerocity, New Delhi - 110 037
Tel: + 91 11 4731 8000

4th & 5th Floor, Plot No 2B
Tower 2, Sector 126
Gautam Budh Nagar, U.P.
Noida - 201 304
Tel: + 91 120 671 7000

Hyderabad

THE SKYVIEW 10
18th Floor, "SOUTH LOBBY"
Survey No 83/1, Raidurgam
Hyderabad - 500 032
Tel: + 91 40 6736 2000

Jaipur

9th floor, Jewel of India
Horizon Tower, JLN Marg
Opp Jaipur Stock Exchange
Jaipur, Rajasthan - 302018

Pune

C-401, 4th Floor
Panchshil Tech Park, Yerwada
(Near Don Bosco School)
Pune - 411 006
Tel: + 91 20 4912 6000

10th Floor, Smartworks
M-Agile, Pan Card Club Road
Baner, Pune - 411 045
Tel: + 91 20 4912 6800

Kochi

9th Floor, ABAD Nucleus
NH-49, Maradu PO
Kochi - 682 304
Tel: + 91 484 433 4000

Kolkata

22 Camac Street
3rd Floor, Block 'C'
Kolkata - 700 016
Tel: + 91 33 6615 3400

6th floor, Sector V,
Building Omega, Bengal
Intelligent Park, Salt Lake
Electronics Complex, Bidhan
Nagar
Kolkata - 700 091
Tel: + 91 33 6615 3400

Mumbai

14th Floor, The Ruby
29 Senapati Bapat Marg
Dadar (W), Mumbai - 400 028
Tel: + 91 22 6192 0000

5th Floor, Block B-2
Nirlon Knowledge Park
Off. Western Express Highway
Goregaon (E)
Mumbai - 400 063
Tel: + 91 22 6192 0000

3rd Floor, Unit No.301
Building No.1, Mindspace-
Gigaplex
IT Park, MIDC, Plot No. IT-5
Airoli Knowledge Park
Airoli West, Navi Mumbai - 400
708
Tel: + 91 22 6192 0003

18th Floor, Altimus
Pandurang Budhkar Marg
Worli, Mumbai - 400 018
Tel: + 91 22 6192 0503



Ernst & Young LLP

EY | Building a better working world

EY is building a better working world by creating new value for clients, people, society and the planet, while building trust in capital markets.

Enabled by data, AI and advanced technology, EY teams help clients shape the future with confidence and develop answers for the most pressing issues of today and tomorrow.

EY teams work across a full spectrum of services in assurance, consulting, tax, strategy and transactions. Fueled by sector insights, a globally connected, multi-disciplinary network and diverse ecosystem partners, EY teams can provide services in more than 150 countries and territories.

All in to shape the future with confidence.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. Information about how EY collects and uses personal data and a description of the rights individuals have under data protection legislation are available via ey.com/privacy. EYG member firms do not practice law where prohibited by local laws. For more information about our organization, please visit ey.com.

Ernst & Young LLP is one of the Indian client serving member firms of EYGM Limited. For more information about our organization, please visit www.ey.com/en_in.

Ernst & Young LLP is a Limited Liability Partnership, registered under the Limited Liability Partnership Act, 2008 in India, having its registered office at Ground Floor, Plot No. 67, Institutional Area, Sector - 44, Gurugram - 122 003, Haryana, India.

© 2026 Ernst & Young LLP. Published in India.
All Rights Reserved.

EYIN2606-014
ED None

This publication contains information in summary form and is therefore intended for general guidance only. It is not intended to be a substitute for detailed research or the exercise of professional judgment. Neither EYGM Limited nor any other member of the global Ernst & Young organization can accept any responsibility for loss occasioned to any person acting or refraining from action as a result of any material in this publication. On any specific matter, reference should be made to the appropriate advisor.

RS2

ey.com/en_in

