

Finance transformation

Drive value with a fit-for-purpose finance function

EY

Shape the future with confidence

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

Investing in a fit-for-purpose finance function reframes finance from a cost center to a strategic growth creator. Driving forward change through key enablers can lead to outcomes where finance accelerates the value creation plan.

Leadership considerations

Chief financial officer

- What mindset shifts and operational changes are necessary to align finance with broader business objectives and drive growth?
- What steps need to be enacted to establish a single source of truth for data to enhance decision-making?
- How will you implement accountability and tracking mechanisms to monitor progress effectively?

VP finance/controller

- What proactive business insights and operational key performance indicators (KPIs) can support decision-making and drive growth?
- How can you integrate financial forecasting and budgeting to enhance overall business performance?
- What opportunities exist for automating repetitive tasks to improve efficiency?
- What additional steps can be taken to confirm accountability and tracking mechanisms are in place?
- How can you achieve effective working capital management to support business operations?

Operating partner

- What strategies and best practices can the private equity (PE) equip the portfolio company (PortCo) team with to foster a culture of resilience and adaptability?
- What investments will lead to enhanced efficiency, reduced costs and improved service delivery that support the value creation plan?
- How will you tell the finance fit-for-purpose story upon exit?

Portfolio company perspective

Build a finance function for the company you expect to be in five years. Early investments will be realized and the cost curve will straighten out. Shifting your mindset from finance as a cost center to a value creation driver can accelerate your growth.

Key takeaway

The most effective approach for finance transformation in PE-backed companies involves implementing sprints of incremental improvement. This method delivers high-impact results swiftly, aligning with the dynamic needs of the business.

Focus on the quality of financial reporting, especially during month-end closes and quarterly reviews. Framing these initiatives around the value creation plan will be essential for driving impactful results. An early investment in a rigorous approach sets the company up for success, accelerates value creation, unlocks cost reduction and ultimately can increase the exit multiple.

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, multidisciplinary 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](https://www.ey.com/privacy). EY member firms do not practice law where prohibited by local laws. For more information about our organization, please visit [ey.com](https://www.ey.com).

Ernst & Young LLP is a client-serving member firm of Ernst & Young Global Limited operating in the US.

© 2025 Ernst & Young LLP. All Rights Reserved. US SCORE no. 28815-251US. 2507-10406. ED none.

This material has been prepared for general informational purposes only and is not intended to be relied upon as accounting, tax, legal or other professional advice. Please refer to your advisors for specific advice.

[ey.com](https://www.ey.com)