



Growing and sustaining a profitable business takes **smart choices** and wise investments. CFO's possess a heightened awareness of this simple fact and expertly specialize in the tricky process of deciding which investments to *pursue* and on which investments to *pass*.

In this age of increased needs and reduced budgets, how can CIO's win CFO support for IT initiatives- and most importantly **obtain the funds to pursue them?**

By following the five proven approaches below you can begin to improve your chances for success today.

1. Build the "Business" Case for Your Initiative

CIO's need to explicitly identify where new technology implementations and/or upgrades offer opportunities to better support business processes and contribute to bottom line corporate goals.

CFO's speak "business results" and so should CIO's. As you consider your initiative be sure to explore and document the business case to support it. This involves aligning your project's costs and required resources to metrics such as ROI, increased productivity, reduced inefficiencies (costs), increased customer value and often most importantly to the CFO: increased shareholder value.

Technology is an investment with the potential to deliver amazing value to an organization. The smartest CIO's not only know this but *also successfully capture it in a compelling business case* for CFO's to more easily justify.

2. Clearly Understand Your CFO's Decision Criteria

Of course, not every CFO is alike. Do your research to uncover what criteria are most important to your CFO when allocating budgets.

Reach-out to credible sources and frame-up what constitutes a "go" decision. Then go straight to the source. Validate with your CFO how they like to see proposals and what information they are looking for to support their decision process. You may be surprised by their response. Like any good salesperson, know what's most important to your audience and succinctly present the facts accordingly.

3. Define Risks and Returns

Sometimes doing nothing is the riskiest and potentially the most expensive option. However the CFO is not likely to know this in regard to the specific environment of IT (security, compliance, availability...). This is where your technology expertise is absolutely essential.

Identify what risks your organization faces in a variety of scenarios (status quo, upgrade, replace). Provide your recommendation followed by the business benefits the organization will receive. Your CFO will then be better prepared to gauge "cost" beyond a project's price tag.





4. Talk Solutions, not Technology

CFO's often see features and functions as "costs" and solutions as "investments". Be sure to present your initiative in problem-solving terms not in technology specifications.

While you may clearly understand how an improved feature will generate results, don't presume others will as well. Bridge the gap for them to ensure everyone clearly understands the magnitude of what is provided through your initiative.

The bottom line is: smart investments solve problems. The specs are simply the enablers.

5. Build Advocates Across the Organization

No function is an island. The more you understand the other areas of the business, the more empowered you are to optimally solve their problems and identify new areas for growth/improvement.

Your success depends upon their involvement. Include them in the process to define requirements, develop solutions and most importantly track ongoing results. This will not only improve your ability to do your job but will also create "ownership" outside of IT which will fuel an invaluable sense of project loyalty and support well beyond your immediate team.

Rating CFO Support By Project Type

Company Wide Enterprise– In most cases, IT's involvement in company wide enterprises have their justification from outside the IT department. CFO's readily accept the need to provide IT for these types of initiatives.

CFO Support: HIGH

Revenue Producing Projects – CFO's hearts beat faster when the discussion turns to increased revenue. CFO's also know that opportunity usually has risk involved.

CFO Support: HIGH

Cost Reducing Projects – Nothing makes CFO's happier than spending less money and keeping the same return. Be prepared to answer questions about transition.

CFO Support: MED-HIGH

Indirect Projects – This wide ranging selection of projects can be a challenge to justify in the mind of the CFO. Have solid numbers to justify the effort or you'll easily end up on top of the CFO's "no" pile.

CFO Support: LOW

Final Thought

Success breeds success. By following these five simple approaches you can more clearly align with your business and be better prepared to lead and deliver more value—again and again and again.



Next Step: To discuss the effective strategies on budgeting issues, contact Steve Held of SDS at 800-970-7374, ext 102 or visit www.SDS-Consulting.com