

Results of the Baltic CFO survey: Priorities of the finance function and future trends 1/5/25



Director, Risk Management and Audit, PwC Latvia
Kaspars Mitrikis



Manager, Risk Management and Audit, PwC Latvia
Marika Pizica

At the end of 2024, PricewaterhouseCoopers (PwC) conducted a survey among Baltic CFOs to understand the key priorities, trends and challenges in the area of finance function management. CFOs from Latvian, Lithuanian and Estonian companies representing different types of organisations – private companies, listed companies, state and municipal capital companies – took part in the survey.

The results of the survey show significant trends that point to a transformation of the finance function in the region towards greater use of digital technologies, process optimisation and the introduction of sustainability reporting as a strategic priority. However, the differences between countries and organisations point to difficulties related to the pace of modernisation and availability of resources.

The survey data shows that digital solutions are becoming increasingly important, but the degree of their implementation varies greatly. The highest degree of implementation is seen in performance management and setting key performance indicators (KPIs), where 41% of respondents said they had fully implemented these initiatives. Cloud-based ERP, digital platforms, visualisation and analytics solutions are also among the top priorities, indicating that finance leaders are focusing on modernising IT infrastructure and control mechanisms. Full process optimisation and the collection and management of ESG (environmental, social and governance) data are still in the early stages of implementation. This mixed dynamic shows that some organisations are prioritising the elements of digital transformation that bring immediate benefits, while more complex solutions are still being considered.

CFO priorities for the next 12 months

CFOs in the Baltic countries highlight three main priorities or directions for the coming year: improving sustainability reporting (ESG) (18%), strengthening the role of finance teams in realising strategic goals (17%) and developing employees' technological skills (16%). These goals reflect companies' desire to adapt to growing regulatory and societal demands and to utilise technology and analytics to become more efficient and strategically competitive.

The survey results point to a shift in the development of the finance function - from traditional accounting and control to a strategic and technologically advanced partner in business management. In addition, the prioritisation of sustainability issues confirms the growing pressure on companies to ensure transparency and accountability to their stakeholders, i.e., employees, debtors, creditors, investors and society as a whole.

Opportunities to improve the efficiency of financial processes

The results of the survey suggest that financial accounting and bookkeeping processes are the most automated, while financial planning and budgeting are still largely manual: 63% of respondents admitted that they mainly used manual methods in this area. This creates opportunities to invest in automation to

reduce administrative burden and focus on more strategic tasks.

Optimising the full cycle of financial processes (end-to-end) is a key priority, and 85% of companies are planning or have already launched relevant initiatives. However, at the same time, the majority of organizations (76%) have not set specific goals to reduce the time spent on preparing monthly reports, detailed business unit reports and management reports.

The potential of IT strategies and technologies

The survey results show that only 16% of organisations have adopted a long-term IT system development plan, supported by the Chief Financial Officer (CFO) and Chief Information Officer (CIO), and that the projects included in this plan are already being implemented, while 56% have no IT strategy and changes are made as required. The lack of a clear technology development plan indicates the need for a more strategic approach to IT in order to improve integration, efficiency and accuracy, otherwise this can significantly hinder the development of the organisation.

However, despite this deficiency, 54% of respondents are satisfied with their IT systems. They emphasise their reliability, ease of use and ability to deliver easily accessible and analytical data while maintaining cost efficiency. At the same time, 18% of respondents expressed dissatisfaction, mainly related to manual processes, outdated systems with low cybersecurity standards and a lack of employee skills that hinder automation and system integration.

System integration in the finance function remains a challenge – 56% of solutions have been only partially integrated, while 8% have not been integrated altogether. The main barriers are high costs, implementation difficulties (due to system limitations), lack of prioritisation in other areas (e.g. automation and data analytics) and a lack of expertise.

Conclusions and recommendations

The priorities of CFOs in the Baltic countries emphasise the shift of finance functions towards more modern and digital approaches. However, challenges such as an uneven level of automation, lack of IT strategies, upskilling of employees and limited adoption of GenAI show that targeted changes are needed.

To drive transformation, organisations should focus on and consider the following steps:

- **Process automation:** Companies should increase their investment in process automation to reduce manual labour and free up resources.
- **IT strategy and integration:** Developing long-term IT strategies and integrating systems are critical to effective financial management and improving accuracy.
- **Corporate culture and skills:** Improving the digital skills of employees should be made a priority so that organisations can successfully adapt to new technological solutions.
- **Sustainability as a strategic value:** ESG data and reporting will become an integral part of financial management and an element of competitiveness both in the Baltic region and globally.

The Baltic Sea region is currently in a dynamic phase of change, in which every company has the unique opportunity to seize these opportunities. Success in the coming years will depend on the ability to adapt to digital trends, attract talent and utilise technology at a strategic level. The survey results provide important insights that can serve as a basis for both industry innovation and long-term strategy

development.

The survey covers the following finance-related topics:

- Governance
- Processes
- Technology
- Workforce
- Business groups
- The percentage differences shown in this report are based on rounded percentages.

[See the results of the survey](#)