The CFOs Built for Volatility: What Sets High-Performing Finance Leaders Apart

Russell Reynolds Associates

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Do you have the right CFO to navigate today's unpredictable market, gain confidence with the board and investors, and forge into a rapidly changing future?

Strong financial leadership can be the difference between steady value creation and avoidable loss. The CFO role is no longer confined to controls and reporting; it increasingly shapes strategic choices, technology implementation, operational resilience, and ultimately market outcomes—often with visible impact on market performance. That market sensitivity is precisely why getting the CFO profile right has become a board-level priority.

At Russell Reynolds Associates, we have observed this evolution firsthand through our search and leadership advisory work and shifting client expectations. To deepen our understanding of how this key role is evolving, we analyzed the Hogan psychometric test scores of 58 best-in-class (BIC) CFOs[1]. We then paired this analysis with a detailed review of 289 CFO job specifications2 from 2016 to 2025 across leading globally complex public companies to determine how the role has evolved and the skills, capabilities, and psychometric characteristics have evolved with it. This article explores:

> A best-in-class CFO is a value-creating enterprise leader who combines rigorous financial stewardship with strong capital allocation, strategic judgment, and operational insight. They build trust with investors, the board, and management through credible communication, disciplined controls, and the ability to turn strategy into sustainable performance, resilience, and long-term shareholder value.

How the CFO role has evolved from financial steward to strategic orchestrator

- What was once a role defined by control and reporting has become one of enterprise orchestration, where CFOs are expected to shape strategy, steer through volatility, and align capital, technology, and performance.

How required experiences and skills have shifted from accounting oversight to digital finance leadership

- The modern CFO mandate has not abandoned the fundamentals; it has layered them with digital fluency, data-driven decision-making, and transformation leadership, turning finance from a support function into a strategic engine.

The psychometric characteristics that distinguish BIC CFOs

- As the role has grown more complex, standout CFOs are differentiated not just by experience, but by mindset: the ambition to drive outcomes, the learning agility to adapt, and the practicality to convert bold ideas into disciplined action.

From financial steward to strategic orchestrator

Our longitudinal analysis of job specifications from 2016 to 2025 reveals a steady broadening of the CFO role, with expectations expanding beyond traditional financial management to include strategic, analytical, and cross-functional leadership.

The evolution is progressive, rather than abrupt. Each year reflects incremental expansion of scope, occurring alongside accelerating digital transformation, more data-driven decision-making, heightened economic uncertainty and post-pandemic operating models. CFO responsibilities increasingly encompassed digital enablement, agility, stakeholder management, and cultural stewardship.

2016
Financial execution and control

Mandate anchored in classic CFO stewardship: reporting integrity, compliance, controls, treasury, investor relations, and board credibility. Data and FP&A are present, but mainly in support of planning discipline rather than transformation.

2017
From reporting to insight generation

The role starts to shift from producing numbers to interpreting them. Several job specifications ask CFOs to convert financial data into actionable management information or combine financial and operational KPIs to guide decisions. The role is still grounded in control, but insight becomes much more visible.

2018
Operating-model redesign and systems build-out

By 2018, transformation had become a clear strategic priority. The narrative shifted from improving analysis to fundamentally redesigning how finance operates. CFOs were increasingly expected to reimagine cost structures and operating models, while establishing the standalone capabilities and robust infrastructure needed to support long-term performance.

2019
Strategic partner

The CFO is clearly positioned as a central strategic partner to the CEO and executive team, not just the functional leader of finance. Spikes in market-facing language such as Investor Relations and external communication emerged. They are a key contributor to company strategy and business development while also managing capital structure, ERP rollout and key dashboards.

2020
Finance transformation

Transformation becomes a defined responsibility. The CFO is increasingly expected to modernize finance as a platform across people, processes, and systems. This includes shared services consolidation and cost reduction, automation, business intelligence center, efficiency, and transparency in financial processes system integrations and finance technology modernization.

2021
Resilience, ambiguity, and adaptive steering

There is a clear shift towards navigating uncertainty with speed and adaptability - dealing with crisis management during and post the pandemic. CFOs were forced to be comfortable with ambiguity and uncertainty, using their transformed capabilities to steer through volatility and disruption. Due to this, CFOs were expected to be tuned into the external market more than ever, reassuring key external stakeholders and investors about the health and direction of the company.

2022
Agile enterprise leadership and talent stewardship

By 2022, the role broadens again from resilience into enterprise leadership. CFOs are increasingly asked to shape talent, culture, and cross-functional execution while keeping a stronger data and sustainability lens, CFOs are expected to emphasize data & analytics alongside inclusive leadership, succession planning and talent development.

2023
Holistic leadership

Job descriptions blended technology fluency, analytics mastery, and human-centered leadership. Words such as emotional intelligence, trust, purpose, inclusion & sustainability started to increase, signaling a shift from performance-only roles to purpose-driven leadership.

2024
Aligning people, technology, and capital allocation

Responsibilities showed increasing sophistication in how digital and human elements coexisted; e.g., implementing AI-enabled tools for performance tracking and partnering across the organization to align people, process, and technology. We have seen an increase since 2021 of the number of job specifications stating capital allocation as a key responsibility for value creation.

2025
Digital leadership and orchestration

Mature stage of leadership evolution in which advanced digital capabilities are enroute to becoming fully embedded—orchestrating AI-enabled planning, forecasting, and scenario modeling across the enterprise.

Over the past decade, the CFO mandate has shifted from stewardship to strategic orchestrator - implementing tailored strategies and facilitating improvements. While financial discipline remains table stakes, transformation, operating model change, performance acceleration, and capital allocation now share equal weight. Today's CFO is expected not only to safeguard value, but to shape it.

This shift comes with a dependency, as the CFO's remit moves towards strategy, the foundational disciplines that once defined the role, controllership, reporting integrity, and treasury can't be ignored. These areas of expertise must be owned and owned well, by a strong supporting bench. The orchestrator or value creation model only works when a capable controller and finance leadership team cover the fundamentals flawlessly, freeing the CFO to operate strategically above them.

Over the last 10 years, the desire for technologically capable CFOs increased by over 285%

As the CFO mandate expanded, the required skills and competencies shifted in parallel.

As part of our job specification analysis, we conducted a unique count search across the documents looking for traditional CFO skills (including accounting, controls and audit), as well as future-focused skills (such as technology, data, transformation, analytics, AI and digital acumen).

The outcome is a marked rise in references to technology and digitalization, juxtaposed against a steady yet still dominant focus on traditional accounting practices.

Technology & digital skill mentions increased by over

286%

From	To
22	85
2016	2025

reflecting rapid digital transformation.

Examples from recent job specifications of how this looks in practice include:

Modernizing finance by leveraging technology and AI to transform financial and business processes end-to-end, not just patch them.

Driving better execution and decisions through data — using analytics, modelling, and business intelligence to improve accuracy, speed, and strategic clarity.

Cutting costs and risk by eliminating manual work (especially spreadsheet-heavy workflows) via process automation that reduces errors, improves timeliness, and supports a disciplined capital return framework.

Traditional CFO skill mentions rose modestly by

37%

	From	To
	137	**189**
	2016	**2025**

demonstrating resilience and ongoing relevance.

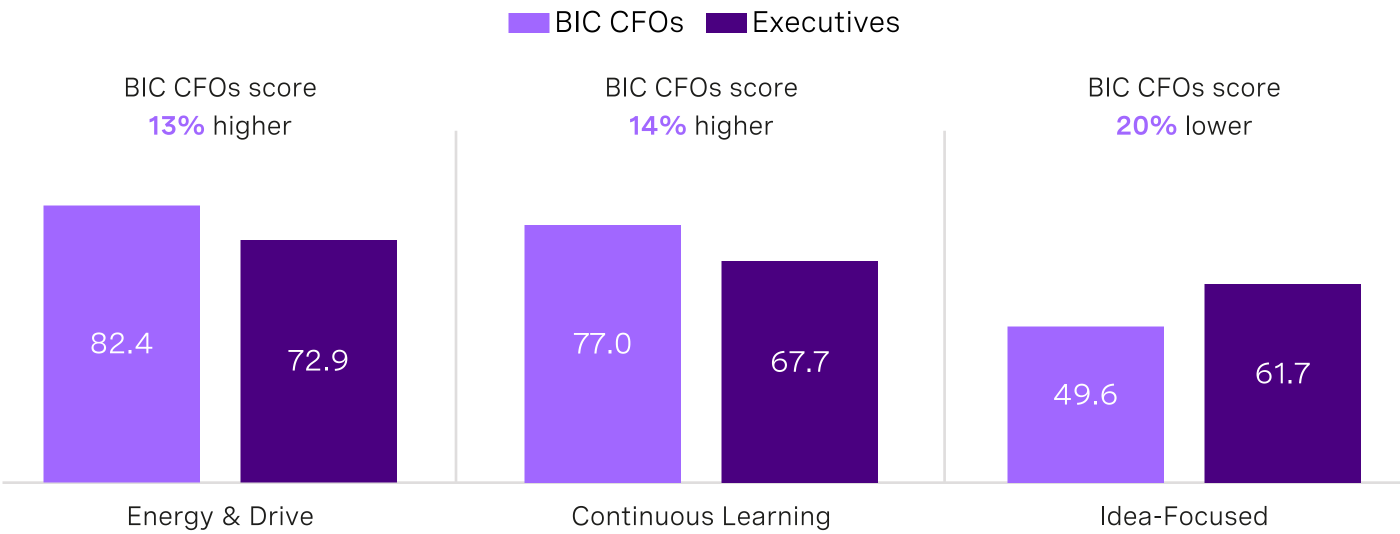
For CEOs and boards, the message is unequivocal: there is a fundamental change in how companies are redefining the CFO role. Companies are now navigating a landscape in which digital fluency is no longer optional but integral to the finance function's strategic mandate.

Ambition, learning, & practicality: What sets BIC CFOs apart from the rest

In the face of the CFO role's marked expansion over the past decade—spanning skills, experience, and responsibilities—RRA also sought to understand the psychometric characteristics associated with BIC performance. Analyzing our assessment data, we identified 58 high-performing CFOs and benchmarked their psychometric results against Russell Reynolds Associates' broader population of senior executives (Figure 1).

Three traits emerged as statistically significant differentiators of BIC CFOs: **Energy & drive, continuous learning, and a practical orientation.**

Figure 2. Trending Private Capital CFO Archetype by Tenure Bracket



Source: Russell Reynolds Associates proprietary analysis of Hogan psychometric data. N = 58 high-performing CFOs, n = 6,644 senior executives. Figure uses mean scores across samples of CFOs and focuses on differences that are statistically significant.

01 Energy & Drive

A measure concerning competitive drive, energy, and goal-orientation.

BIC CFOs stand out for their elevated ambition and energy, even relative to other senior executives. They bring a stronger drive to compete and deliver at a high standard, which reinforces their ability to maintain focus on the key priorities that matter most. In practice, this results orientation can be especially valuable in uncertain business environments, where the CFO must sustain momentum, work through trade-offs, and preserve discipline in execution.

02 Continuous learning

A measure concerning learning style and the degree of preference for formal learning.

Additionally, BIC CFOs are also differentiated by a stronger orientation toward continuous learning. They remain active, lifelong learners who stay ahead of business and industry shifts — an increasingly critical capability as finance modernizes through automation, analytics, and AI. This learning orientation allows them to process new information quickly, identify emerging patterns, and translate insight into sharper judgment on strategic opportunities, resource allocation, and technology-enabled transformation.

03 Idea-Focused

A measure concerning a preference for new and creative ideas.

Our finding that BIC CFOs score lower than other senior executives on a measure of idea focus suggests a more grounded, disciplined approach to decision-making. In a climate where many senior leaders are understandably pursuing bold bets to capture value from AI, BIC CFOs tend to act as a constructive "reality check." They sharpen ideas into investable plans by clarifying assumptions and quantifying risk, helping their organization place fewer, better bets.

From score keeper to shot caller: The CFO as a confidence signal

From 2016 to 2025, the CFO role has moved from strategic partner and value creator as an aspiration to an expectation. In the early years, the terms start to appear as mostly supporting language. From 2020 onward, it is paired with explicit ownership: value creation, transformation, technology, performance and outcomes. What separates today's BIC CFOs is their ability to orchestrate performance across the enterprise: aligning capital allocation, transformation, data, talent, and operating resilience into a coherent system that produces better, faster, and more predictable outcomes.

Right now, having a BIC CFO is a confidence signal to the board, investors, and the broader executive team.

As organizations are faced with growing pressure to communicate amid uncertainty around performance, outlook, and fast-moving issues like tariffs and AI, increasing demand for CFOs who can articulate the path forward in high-stakes forums they are turning to experienced hires to deliver. RRA's Global CFO Turnover Index highlights that experienced CFOs represented 43% of global appointments, the highest share in seven years.

Given the supply and demand challenges when recruiting experienced CFOs, organizations need to recognize the benefits of defining a BIC CFO profile for the business' needs. Both the incumbent CFO and the next generation of finance talent should be measured against this evolving profile.

BIC CFOs pair intense ambition and learning agility with grounded, reality-check judgment—the combination needed to convert transformation from a narrative into measurable results.

To boards, CEOs and CHROs, pressure-test the following:

Assess whether your current CFO matches what the business now needs

Before evaluating the current CFO, align Board members on what the role demands now. Many sitting board members were appointed when the 2016 archetype of control, reporting and compliance was the standard. There is a real risk that today's CFOs are being measured against an outdated archetype.

Pending alignment with the board, evaluate the incumbent CFO against current and future business demands. If the organization needs a step-change in transformation, performance, or external communication under uncertainty, be explicit about whether the current CFO can deliver it. Assess specifically for the traits that distinguish BIC performers: the ambition to drive outcomes under pressure, the learning agility to stay ahead of a modernizing function, and the grounded judgment to turn bold bets into disciplined plans. If not, act decisively: accelerate development or implement mentorship where the gap is fixable, going external where the mandate requires a different level of experience and impact.

Upgrade assessment and development across the finance team

Understanding the psychometric, experiential and competency differences that set BIC CFOs apart, helps CEOs, boards and HR leaders better understand the CFO population, sheds light on the environments and circumstances CFOs are most and least drawn to, and can inform development and coaching and more effective retention efforts.

Do not wait until succession becomes urgent. Assess your finance leadership bench now for the experiences, competencies and psychometric characteristics that not only set BIC apart in the current market, but in the future one: ambition, learning agility, judgment, enterprise thinking, transformation leadership, data and technology fluency, and the ability to articulate a credible path forward to boards and investors. Development priorities should focus on building leaders who can convert ambition and learning agility into measurable outcomes, not simply deliver functional excellence.

Treat CFO succession planning as a business continuity issue

With experienced CFOs accounting for a growing share of appointments and demand rising, succession risk is increasing. Organizations should build a 3-5 year CFO succession plan that includes both rigorous internal assessment, external benchmarking and development plans. If there is no credible successor today, that is not a future issue — it is a current exposure. The goal is a seamless transition, not a reactive replacement.

The organizations that outperform will be those that build—and sustain—a BIC CFO capability through deliberate selection and succession.

Footnotes

[1] A panel of RRA experts reviewed a list of CFOs who were assessed by RRA and determined if they matched the BIC description. Cases where the panel was in agreement were considered BIC.

[2] A job specification is a detailed role mandate developed for each CFO search, built in partnership with our clients and continuously refined through lessons learned across hundreds of engagements.

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About Russell Reynolds Associates

Russell Reynolds Associates is a global leadership advisory firm. Our 500+ consultants in 47 offices work with public, private, and nonprofit organizations across all industries and regions. We help our clients build teams of transformational leaders who can meet today's challenges and anticipate the digital, economic, sustainability, and political trends that are reshaping the global business environment. From helping boards with their structure, culture, and effectiveness to identifying, assessing and defining the best leadership for organizations, our teams bring their decades of expertise to help clients address their most complex leadership issues. We exist to improve the way the world is led

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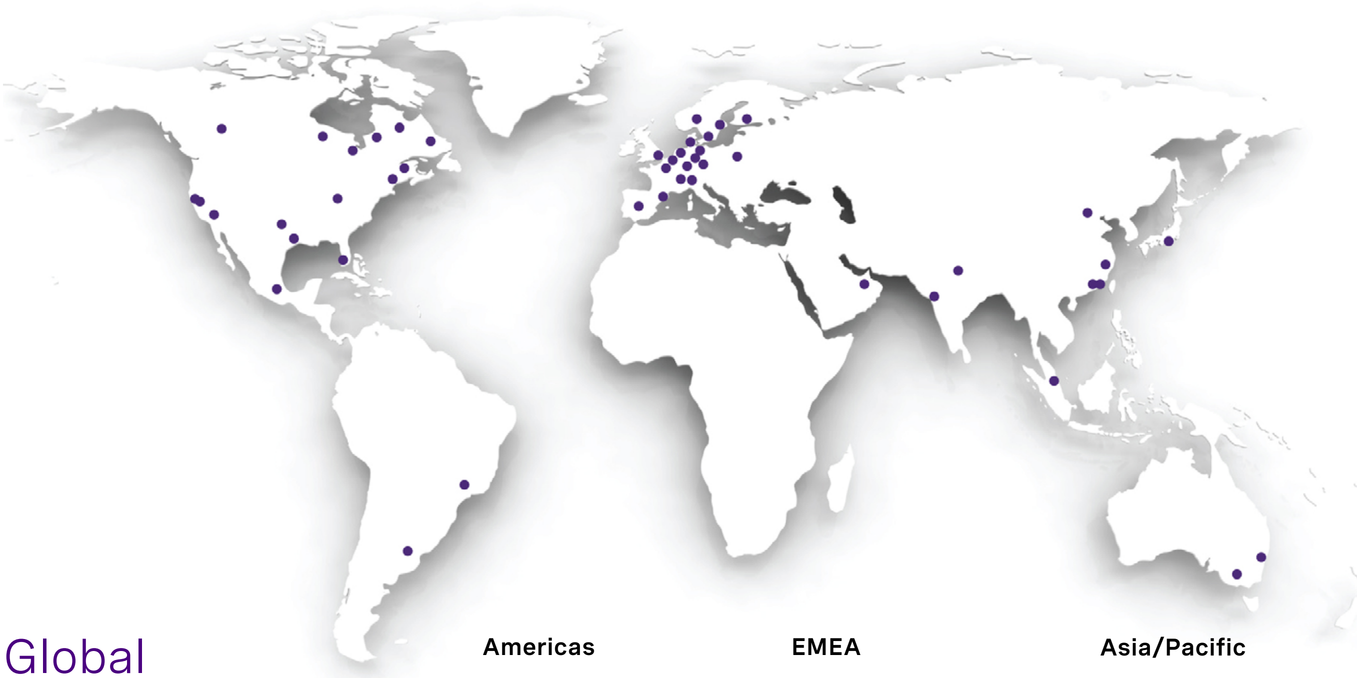

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