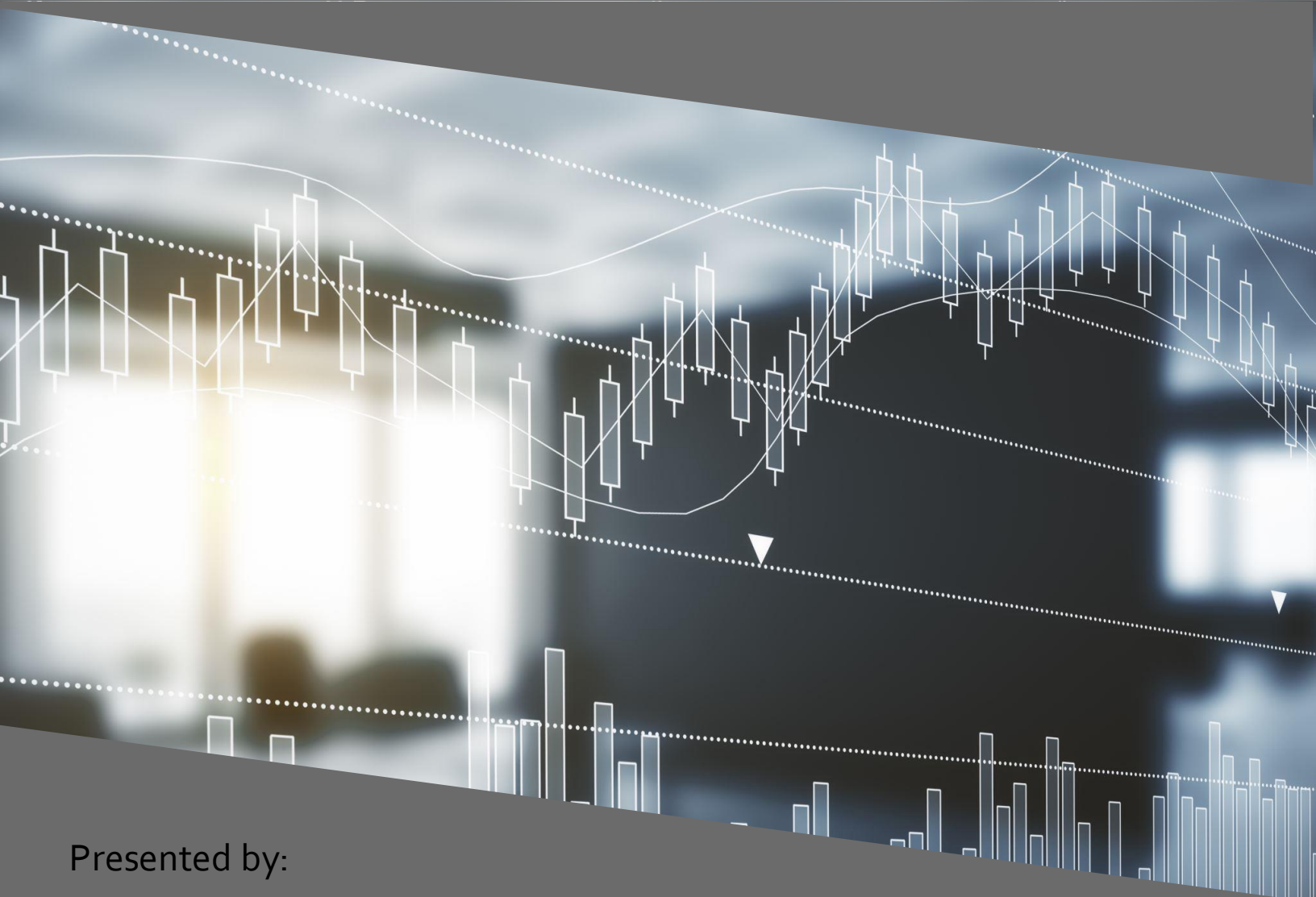


CFO Clarity: Turning Workforce Data into Financial Strategy



Presented by:



PROOF OF CONCEPT

LOVE THE PROBLEM

Executive Summary

Workforce leaders are under increasing pressure to justify external workforce spend in terms that resonate with finance. Traditional reports fall short: too operational, too siloed, and not aligned to the CFO lens. This creates a gap: investments are made, but financial clarity and strategic alignment are missing.

Over the course of a one-week sprint, a cross-functional group of industry leaders collaborated to address this challenge. Their shared goal: co-create a practical model that enables workforce owners to elevate their financial awareness to the CFO level. The outcome was a Workforce Scenario Financial Evaluator. A tool that transforms workforce scenarios into a 360° financial viewpoint, enabling more confident forecasting, risk evaluation, and alignment with enterprise strategy.

Introduction

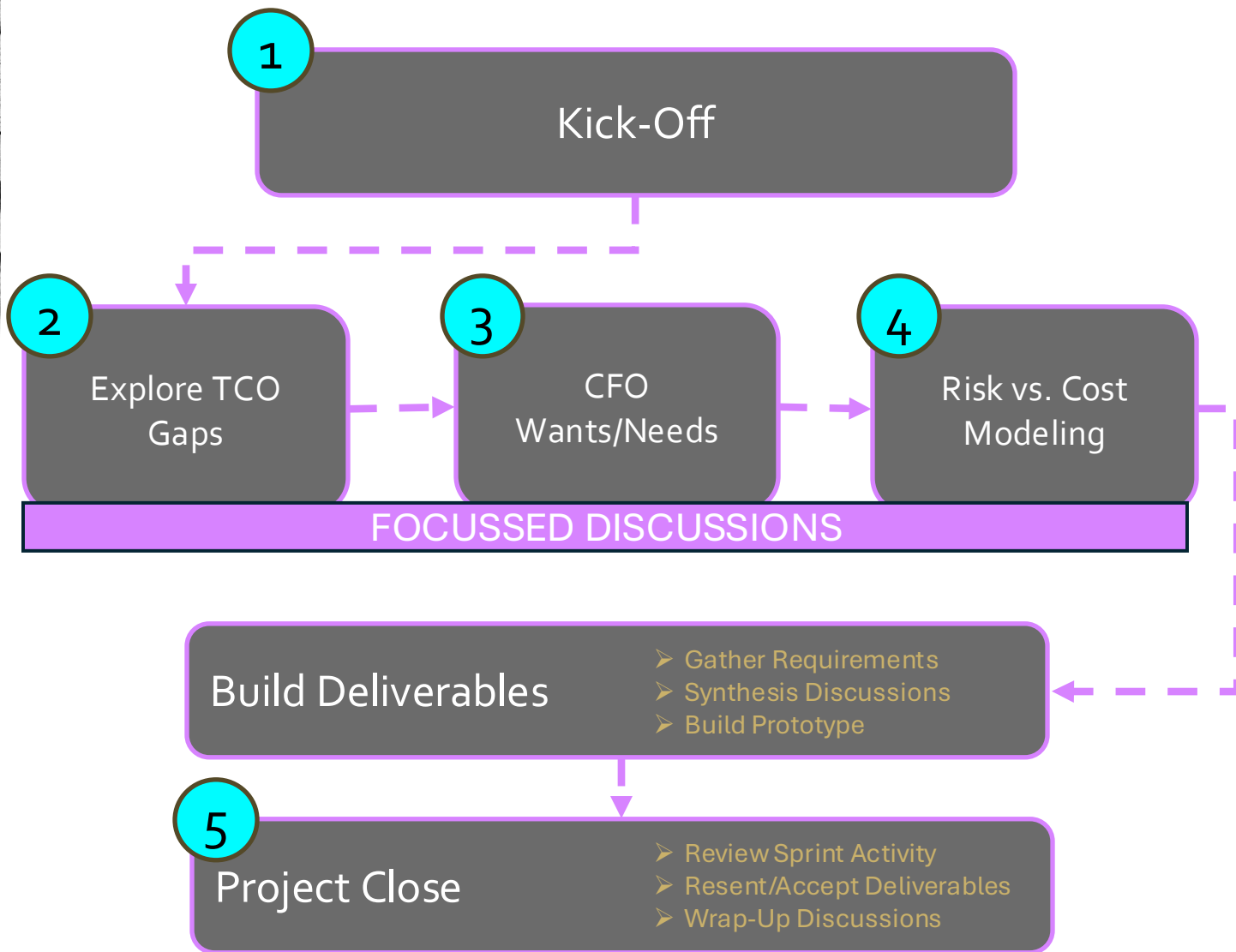
Finance leaders are increasingly accountable for workforce-related spend, yet lack a structured way to assess and communicate the Total Cost of Ownership (TCO) of the external workforce including contractors, vendors, and outsourced services. Despite billions invested, key financial signals remain hidden: utilization gaps, vendor inefficiencies, indirect overhead, and rate trends. Reports built for operations fail to connect with finance.

The sprint set out to change that. By bringing together program leaders, finance perspectives, and industry experts, the group developed a new framework. One that reframes external workforce management as financial strategy, not just operational oversight.



Sprint Format & Methodology

The sprint ran one week, combining structured discussion, expert facilitation, and industry leaders with diverse perspectives and best practices. The goal was to move from shared problem definition to deliverable launch in just one week.



Participant Snapshot

Participants included finance leaders, procurement experts, HR strategists, program managers, and industry SMEs with varying levels of Workforce Finance exposure.

Time Commitment

Roughly 5 hours of live virtual sessions, supported by targeted follow-ups and collaborative inputs between meetings.

The Problem Statement

Finance leaders are increasingly accountable for workforce-related spend, yet lack a structured way to view, assess, and communicate the Total Cost of Ownership (TCO) for their external workforce including contractors, vendors, and outsourced services.

"We can't just report spend; we need to show the financial impact of workforce decisions in CFO terms."

Sprint Objective

This sprint set out to co-create a CFO-aligned TCO model for external workforce programs—one that simplifies how total cost is calculated, visualized, and communicated across finance, procurement, and HR.

Success defined as:

- ✓ Improved cost visibility
- ✓ More strategic workforce investments
- ✓ Alignment across stakeholders on financial accountability
- ✓ Smarter forecasting and vendor decisions grounded in measurable ROI

Key Sprint Discoveries

- CFOs reject ambiguity more than they reject ideas. Risk and lack of clarity stall decisions.
- Current reporting misses hidden costs: provisioning, compliance overhead, onboarding, rework, lost productivity.
- Cost savings alone are not enough. Value must include risk mitigation, capacity enablement, and alignment to company strategy.
- Workforce owners need a repeatable playbook to engage finance with credibility and confidence.



Key Insights from the Sprint

Risk Is as Important as Cost



CFOs weigh exposure (misclassification, compliance, vendor risk) alongside spend. Risk reduction must be quantified as value.

The Cost of Doing Nothing Is Powerful



Stalled initiatives often erode capacity and increase exposure. Framing inaction as a financial risk changes the conversation.

Same Data, Different Framing



The CFO doesn't need new data—they need existing data reframed into financial logic.

Capacity Enablement = Value



External workforce programs free FTEs to focus on strategic work. That capacity shift can be measured and communicated as ROI.

Simplicity Wins



Executives want concise, finance-ready narratives—backed by expandable detail when needed.





Risk Awareness and Proactivity

Risk is often only visible when something goes wrong, need to demonstrate proactive controls to earn credibility.

Include:

- ✓ Legal-approved classification processes.
- ✓ Supplier compliance guarantees.
- ✓ Gating mechanisms for workforce entry/exit.

Lesson

When risks are well-managed and documented in advance, the program has “credit in the bank” for when surprises occur.

Moving Beyond “Cost Savings”

CFOs expect procurement and vendor management to manage costs, it’s table stakes. The more compelling conversation is about:

- Cost avoidance (preventing overspend, market rate alignment, rate card discipline).
- Spend effectiveness (are dollars producing maximum value?).
- Risk mitigation (legal, compliance, and reputational risk reduction).
- Capacity creation (freeing FTEs to focus on high-priority work).



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Total Cost of Ownership (TCO) Complexity

TCO for external workforce spans direct costs (rates, fees, benefits, statutory costs, provisioning) and indirect costs (training time, lost productivity, compliance monitoring, rework, turnover).

CFO clarity requires capturing and presenting all cost categories including hidden and downstream costs.

Differences in treatment for SOW vs. staff augmentation require separate visibility.

Metrics That Matter to Finance

The group identified high-value CFO metrics:

- Program-driven risk reduction scorecards.
- Rate management over time vs. market benchmarks.
- Contingent-to-FTE ratios for major projects.
- Supplier compliance performance.
- Speed-to-fill and impact on time-to-value.
- Cost of doing nothing as a decision lever.



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Linking Programs to Enterprise Strategy

Successful CFO engagement means tying workforce program value to company OKRs:

- M&A integration readiness.
- Product launches.
- Safety or compliance targets.
- Revenue stabilization for funding new bets.

This requires proactive tracking building the data trail 6–12 months before major investment asks.

Ah-Ha Moments

Capacity enablement is a value story showing how contingent labor protects FTE focus on strategic work resonates strongly.

The cost of doing nothing can be more persuasive than projected savings.

Proactive engagement beats reactive justification. Relationships and metrics must be built before the budget request.

Same framework, different lens. CFO is another stakeholder, not an entirely separate audience, but with unique framing needs.

“Risk matters as much as cost savings”





The Deliverable: Workforce Scenario Financial Evaluator

At the conclusion of the sprint, the team introduced a tangible solution that brought our collective insights to life - the Workforce Scenario Financial Evaluator. This tool was designed to help workforce leaders translate operational scenarios into a 360° financial viewpoint, equipping them to engage CFOs with greater clarity, speed, and influence.

The evaluator reflects everything learned during the sprint: the importance of aligning with stakeholder motivations, structuring clear and credible business logic, and embedding financial framing into every stage of workforce planning. Rather than producing static templates, it offers dynamic guidance to shape scenarios in real time, customized to organizational context, priorities, and risk tolerance.

Built not just as a product but as a strategic companion, the evaluator supports leaders navigating change, facing resistance, or seeking investment for bold, nontraditional approaches. By merging structure with strategy, the deliverable bridges the gap between workforce intention and financial approval.

How it Works...

Users input a scenario (in plain language), along with basic information and the tool returns:

- ✓ Executive summary & scenario framing
- ✓ CFO Level Messaging Suggestions
- ✓ Metrics that Matter
- ✓ TCO Modeling
- ✓ ROI Calculator
- ✓ Financial Risk Evaluator

Why It Matters:

- Helps workforce leaders speak the language of finance
- Builds credibility with CFOs through structured clarity
- Equips program owners with both short-form narratives and deep-dive analytics



Our Biggest Learnings

- ✓ Clarity of deliverable objectives and sprint structure at sprint start accelerates progress.
- ✓ Data without context doesn't persuade, it must link metrics to business outcomes.
- ✓ Different verticals (energy, tech, finance) face different CFO expectations, so outputs must be adaptable.
- ✓ Building an inventory of metrics and stories now ensures readiness when urgent asks arise.

Call to Action: CFO CLARITY Starts With You

Every day, workforce leaders miss opportunities to secure investment or protect programs. Not because the initiatives are weak, but because they aren't framed in financial terms that matter to CFOs. That gap is solvable. The sprint proved that with the right lens, workforce programs can become financial strategy enablers, not just cost centers.

What You Can Do Now:

- Adopt the framework: Use TCO + risk + capacity as your CFO clarity pillars
- Reframe your reporting: Translate operational metrics into financial impact
- Highlight inaction risk: Always include the cost of doing nothing
- Practice proactive engagement: Build the narrative 6–12 months ahead of budget asks



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