SURVEY

The 2025 Controller’s report on cost control strategies

See what’s shaping Controller decision-making on costs, where they struggle, what they’d do differently and what’s changing across finance

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Executive summary

When leadership pushes for cost control, it rarely comes with a blueprint. Controllers are often left navigating grey zones: unclear priorities, untouchable expenses, new reporting asks or systems that weren't designed for strategic pivots.

We surveyed 100 Controllers across industries and ownership models to see how finance teams are responding – not just to cost pressure, but to the growing complexity around how cost decisions actually get made.

Change is already in motion. Most Controllers reworked at least one major workflow this year – AP, close and payroll led the way. Over half added new roles to meet growing demand. Investments in ERP automation, AI initiatives and process optimization are moving from plans to reality.

Yet formal decision frameworks remain rare. Only 7% use a repeatable structure to guide cost decisions. Most rely on peer or leadership consultation and drawing from previous experience. Nearly half say they've made cuts they now regret – often where cuts affected systems or people.

That tension shows up everywhere:

- Tool sprawl needs to be addressed – but alignment on what stays and what goes is hard to get.
- Savings are on the table – except in the very areas where the biggest spend lives.
- The pace has to increase – even as leadership asks for better forecasting, tighter reporting and clear AI roadmaps.

No single fix addresses all of it. But the Controllers finding more stability – and fewer reversals – share a few practices in common. They automate what slows them down while keeping human oversight.

About Zone&Co

We work with Controllers every day who face impossible choices between hitting financial targets and maintaining operational excellence. Our NetSuite-native solutions help finance teams automate the manual work that drains resources, giving you back time to focus on strategic decisions that drive results.

We built this report to give controllers more than generic advice. Inside, you'll find what's working, what's failing and what your peers would do differently. It's a playbook for making smarter cost decisions – and for protecting long-term growth, even when pressure is highest.

They think in systems, not slices – consolidating rather than adding point solutions. They stay close to business units for input on what can actually be changed. And they don't just cut – they plan, ensuring visibility and accountability remain intact.

In times when stakeholders demand efficiency, boards expect agility, technology keeps shifting and economic signals remain volatile, Controllers who strike this balance protect today's margins while laying the groundwork for tomorrow's growth.

We hope these findings help you pressure-test your own approach, build stronger alignment with your leadership team and walk into next year with confidence in the cost decisions ahead.

Key findings

- **90% of Controllers overhauled at least one major finance workflow in 2024** – accounts payable (43%), payroll (30%), and billing, close and reporting (~28% each) led modernization efforts. Main drivers cited: 36% workflow automation with solutions like ZoneCapture, Tipalti and Ramp, 26% pointed to ERP or system changes and 26% wanted better standardization and efficiency.

- **59% of Controllers report adding new finance roles, 41% made no additions** – accounting/reporting (25%) and ERP system/data roles (14%) concentrated new hiring. FP&A hiring skewed PE/VC (8.5% vs 2.6%); senior leadership hires skewed private (7.7% vs 1.7%).

- **7% of Controllers use structured, repeatable decision frameworks for cost control** – 93% rely on ad-hoc discussions with peers, input from other departments or drawing on previous experience; consultation is heavy with CFO involvement at 85% and FP&A at 32%.

- **53% of Controllers report regrets about prior cuts** – led by headcount (21%) and software/systems (17%). Main drivers behind these cuts: margin improvement (79%) and efficiency through automation or consolidation (51%). Headcount regret is higher in PE/VC firms (25.4% vs 15.4% in private companies).

- **22% cite headcount as biggest "untouchable" cost they want to cut but can't** – followed by software and systems (15.3%) and travel (13.3%) due to executive resistance, cultural barriers or lack of internal knowledge to consolidate tools. Private companies are nearly 2x more likely to want software cuts they can't make (20.5% vs 11.9%); PE/VC firms more often call out travel (15.2% vs 10.3%).

- **24% of Controllers face new leadership demands for enhanced reporting** – followed by AI initiatives like demands for measurable AI KPIs and clear adoption roadmaps by department (20%), as well as cost and margin improvement (17%). By ownership, AI adoption asks from leadership are higher in PE/VC (25% vs 13%) while forecasting pressure is higher in private companies (23% vs 3%).

- **87.6% of Controllers are acting proactively to avoid emergency cuts** – led by focusing on better forecasting (21.7%), process efficiency and better systems (19.6%), spend control (18.6%) and targeted AI adoption like enhancing ERP workflows with AI features or building custom GPTs for budget-related questions (16.5%).

- **61% plan targeted optimizations in the next 12 months** – ERP/system consolidation and automation of manual processes both lead at 16%. Investment isn't frozen: Controllers plan to invest in ERP automation and optimization (71%), AI and machine learning (45%), cybersecurity and data protection (42%), as well as M&A activity (30%).

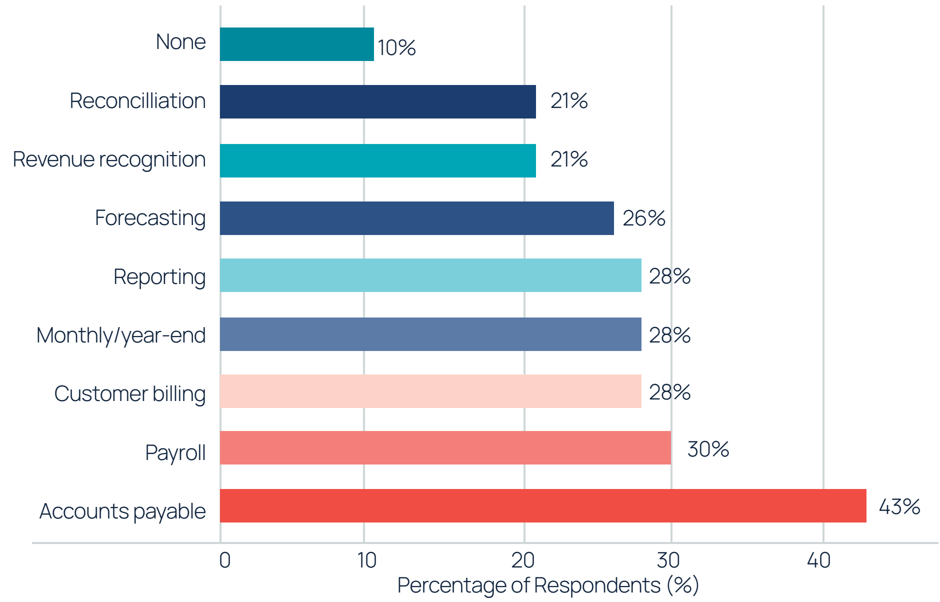
- **Controllers are taking a measured, practical approach to AI** – 20% report leadership asking for AI initiatives, 16.5% have started using AI in finance processes and 45% plan to invest in AI or ML over the next 12 months. Adoption today concentrates on enhancing existing ERP workflows like AP, close and reconciliation rather than switching to AI-specific ERP systems.

Finance workflows have changed substantially in the past year

90% of Controllers overhauled at least one major workflow in the past 12 months

Controllers made substantial updates to core finance processes in 2024 – driven by system migrations, automation, reporting pressure and the need to absorb growth without iincreasing headcount. The most frequently changed workflows were accounts payable, payroll, billing, close and reporting – areas where manual tasks still consumed significant time.

Finance workflows that significantly changed in the past year



- Accounts payable topped the list. **More than four in 10 Controllers (43%) overhauled their payables process,** citing AP automation tools as the key to cutting manual data entry and accelerating approvals.

- **Payroll and timekeeping came next – 30% redesigned payroll processes.** Many teams moved to unified payroll platforms or integrated timesheet tools to keep pace with headcount growth.

- **Customer billing, monthly/year-end close and reporting each saw changes for about 28% of respondents.** New reporting requirements from investors and regulators pushed teams to update close and reporting workflows alongside customer invoicing.

- **Forecasting was refreshed by one in four (26%) finance teams,** while revenue recognition and reconciliation were adjusted by about one in five teams. These updates were often tied to adoption of new subscription billing models or new accounting standards. **Only 10% said no workflow had changed.**

When asked which single process they would automate to reduce manual work and errors:

24% **said reconciliations and cash**
19% **named accounts payable and procurement**
14% **chose financial close and reporting**
14% **pointed to revenue and billing**
12% **highlighted payroll and HR**
15% **mentioned other areas like operations, inventory, compliance or tax**
2% **said there's nothing else they wish to automate**

Controllers are still chasing speed and accuracy in the very areas they just overhauled. Many of these workflows were updated through system migrations or process redesign – but the automation layer often comes next. This reinforces a clear sequence: standardize the process, then automate what slows you down.

Why did things change? Four reasons stood out.

- **36% were motivated by workflow automation** – implementing solutions like ZoneCapture, Tipalti, Ramp and OCR tools to speed up invoice processing and reduce manual entry. One controller reported "reduced entry time for our AP team by up to 53%".

- **26% pointed to ERP or system changes** – migrations to platforms like NetSuite or Workday were common, often driven by discontinued support or the need to consolidate multiple systems.

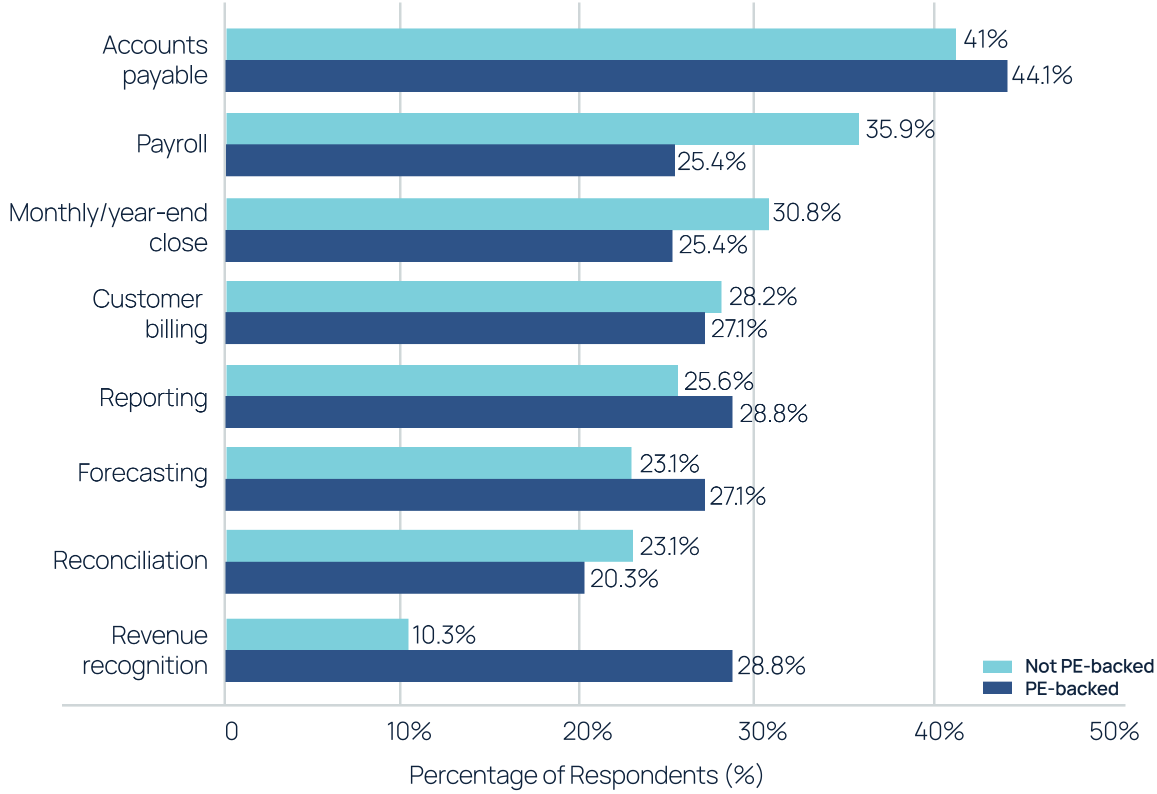
- **26% wanted better standardization and efficiency** – several noted they couldn't automate because each entity closed books differently or used inconsistent reporting formats. They prioritized harmonizing templates and approvals across departments before layering in automation.

- **7% cited regulatory/compliance changes** – adoption of new accounting guidance (ASC 606) and security tools for fraud prevention.

Investor backing shapes how workflows evolve.

The priorities behind workflow overhauls can differ depending on whether a company is backed by investors. While both PE/VC-backed and privately owned companies are modernizing their finance stack, the forces shaping those changes aren't necessarily the same.

Finance workflows that changed significantly in the past 12 months, by ownership status



Which workflows changed most:

- **Both groups tackled accounts payable at similar rates** (44.1% PE/VC-backed vs 41% privately held), underscoring AP automation as a near-universal priority. Time savings, accuracy improvements and audit readiness made it a top starting point.
- **PE/VC-backed companies were nearly 3x more likely to overhaul revenue recognition** (28.8% vs 10.3%), reflecting investor pressure for clean revenue tracking and alignment with standards like ASC 606.
- **Reporting and forecasting upgrades also skewed investor-backed** (reporting: 28.8% vs 25.6%, forecasting: 27.1% vs 23.1%) – both critical for monthly board updates and fund-level performance tracking.

- **Private companies concentrated their changes around operational improvements, particularly payroll modernization (35.9% vs 25.4%)** and **close process updates (30.8% vs 25.4%).** These firms appear to be building the groundwork for more scalable automation and compliance workflows.

Why changes happened:

- **Private companies focused on foundational changes** – Workflow automation (37.8%) and ERP/system migrations (32.4%) topped their list. Teams were upgrading aging infrastructure and replacing disjointed systems to prepare for future scale.

- **PE/VC-backed firms emphasized optimization** – While workflow automation (35.3%) was also the top driver, it was closely followed by process standardization (31.4%), often a prerequisite for investor transparency and exit readiness. One controller summed it up as: "We can't automate until our data flows the same way across entities." Regulatory compliance changes also showed up more frequently in PE/VC-backed companies (9.8% vs 2.7%).

Workflow changes reflect where finance teams are modernizing by industry.

Depending on the industry sector, some Controllers leaned heavily into payroll modernization and billing updates, while others prioritized forecasting, close cycles or reconciliation.

Note: Some industries had as few as four Controllers respond. These views offer directional patterns, not statistically significant conclusions.

Healthcare & Life Sciences overhauled the mostworkflows overall

87.5% reported changes to accounts payable, making it the most overhauled workflow. Monthly/year-end close followed at 62.5% together with reporting (50%). These upgrades reflect a push to modernize core finance processes to handle high transaction volumes, maintain compliance and support growth tied to patient demand.

SaaS/Tech focused onAP, AR and forecasting

Over half (53%) of SaaS/Tech Controllers updated accounts payable, followed closely by AR (44%) and revenue recognition (31%).These companies appear to be retooling core systems to support subscription models and rapid scaling – especially in areas that affect cash flow and investor visibility.

Retail & Wholesale focused on staff-heavy processes

Payroll and reconciliation (50% each) were the top areas of change, with payables and receivables tied at

38%. These updates reflect efforts to manage transaction-heavy operations, seasonal headcount swings and margin discipline without adding overhead.

Manufacturing & Engineering modernized across core finance workflows

Top changes appeared in monthly/year-end close (47%), reporting (41%) and payroll (41%). Forecasting (35%) also ranked high, suggesting a dual focus on improving planning accuracy and tightening controls in response to production volatility and rising input costs.

Energy & Utilities doubled down on payroll and AP

All five respondents in this category updated payroll (75%), with accounts payable, customer billing, reporting and close each at 50% as well. No changes were made to forecasting, reconciliation or revenue recognition, which may reflect slower adoption cycles or long-standing legacy infrastructure.

Finance & Insurance leaned into visibility and oversight

Four Controllers in this industry concentrated their efforts on reporting (67%), monthly/year-end close (67%) and forecasting (67%). These are areas closely tied to internal controls, audit readiness and regulatory reporting.

Professional Services homed in on payables and forecasting

50% reported accounts payable changed the most and 40% mentioned forecasting changes. Other workflows – from AR to payroll – all came in at 20%, suggesting distributed improvements rather than a centralized overhaul. This fits a project-based model where finance needs vary by client or engagement.

Other sectors (nonprofit, real estate, travel, etc.) tackled foundational pain points

Accounts payable led at 60% for six Controllers in this industry, with monthly/year-end close (40%) next. These lean teams are focused on reducing manual work in recurring processes that have a high impact on operational visibility.

Something to think about

Most Controllers have already taken the first steps toward modernization – upgrading systems, adjusting workflows and building stronger reporting foundations. But many of those same areas still rely on manual tasks or inconsistent processes.

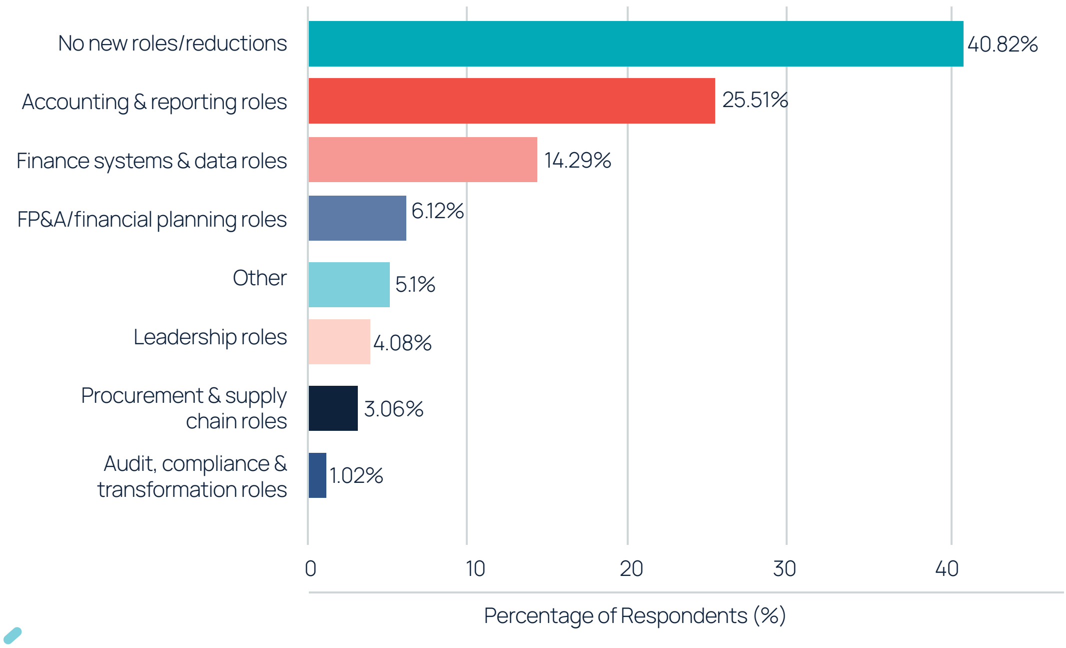
This is a good time to assess whether recent changes have created the conditions for automation. Look at where manual input still creates delays, where approval cycles drag or where reporting errors surface most often. These patterns point to workflows that are ready for the next layer of improvement.

New finance roles have been introduced in the past 6-12 months

59% of Controllers expanded their teams in the past year to meet rising demands.

Nearly 6 in 10 Controllers added new finance roles, but 41% reported no new roles – and in some cases, reductions – as companies leaned on automation, outsourcing or efficiency gains instead of adding headcount.

Distribution of new roles added to finance teams in the past 6-12 months



Why new roles are showing up

Controllers pointed to a consistent set of triggers for these hires:

- **Compliance pressures:** SOX 404B, SEC reporting and audit readiness.
- **Capacity relief**: Transaction volume growth straining CFOs and Controllers.
- **Succession:** Leadership transitions, often founder step-backs or pre-IPO readiness.
- **Review layers:** Accounting managers and staff accountants to add structure.
- **Continuity:** Interim roles to cover long-term absences or contractor transitions.

Among those who did hire, the most common additions were:

- **Accounting and reporting roles (25%)** – Staff accountants, reporting managers and Controllers were added to handle transaction volume, reconciliations and month-end pressure. These were often justified by growth, audit readiness or replacing contractors with permanent staff.
- **Finance systems & data roles (14%)** – Teams brought in ERP specialists, NetSuite administrators and business systems managers to maximize ERP value. In some cases, these hires were explicitly linked to AI evolutions inside ERP platforms and the need to integrate automation into daily workflows.
- **FP&A roles (6%)** – Analysts and managers were added to deepen planning, forecasting and scenario modeling – especially in SaaS and PE/VC-backed firms where investor expectations are high.
- **Leadership roles (4%)** – New assistant Controllers, VPs of finance and CFOs were introduced as founders stepped back, companies matured or transaction volumes outgrew the bandwidth of existing leaders. One Controller also mentioned an AI-specific position – they've added an AI Cohort Head to partner with engineering and drive AI initiatives for accounting and finance.
- **Procurement & supply chain roles (3%)** – A smaller set of companies created dedicated cost-optimization roles like Procurement leads and Supply Chain Managers, especially in volatile industries like energy and utilities.
- **Other specialized roles (5%)** – Controllers also cited revenue accounting, RevOps, AP managers, collections staff and cost efficiency managers – all situational hires to address volume or compliance needs.
- **Audit, compliance & transformation roles (1%)** – These hires often supported SOX 404B readiness, internal audit, SEC reporting and transformation programs. New roles added were internal auditors, compliance managers and SEC reporting specialists.
- **No new roles / reductions (41%)** – A significant share of companies made no additions, and some reported shrinking finance teams. Reasons included margin pressure, efficiency gains from automation or shifting responsibilities to outsourced teams.

Mid-market firms are adding roles.

52% of all new roles came from companies with $51M–$250M in revenue. These firms are large enough to require FP&A analysts, ERP specialists and leadership layers – but not yet at the point where they're getting significant leverage from shared resources.

Smaller companies leaned away from hiring new positions, pointing instead to automation and leaner structures. The largest firms ($1B+) also stayed the course, often relying on shared service centers rather than expanding headcount.

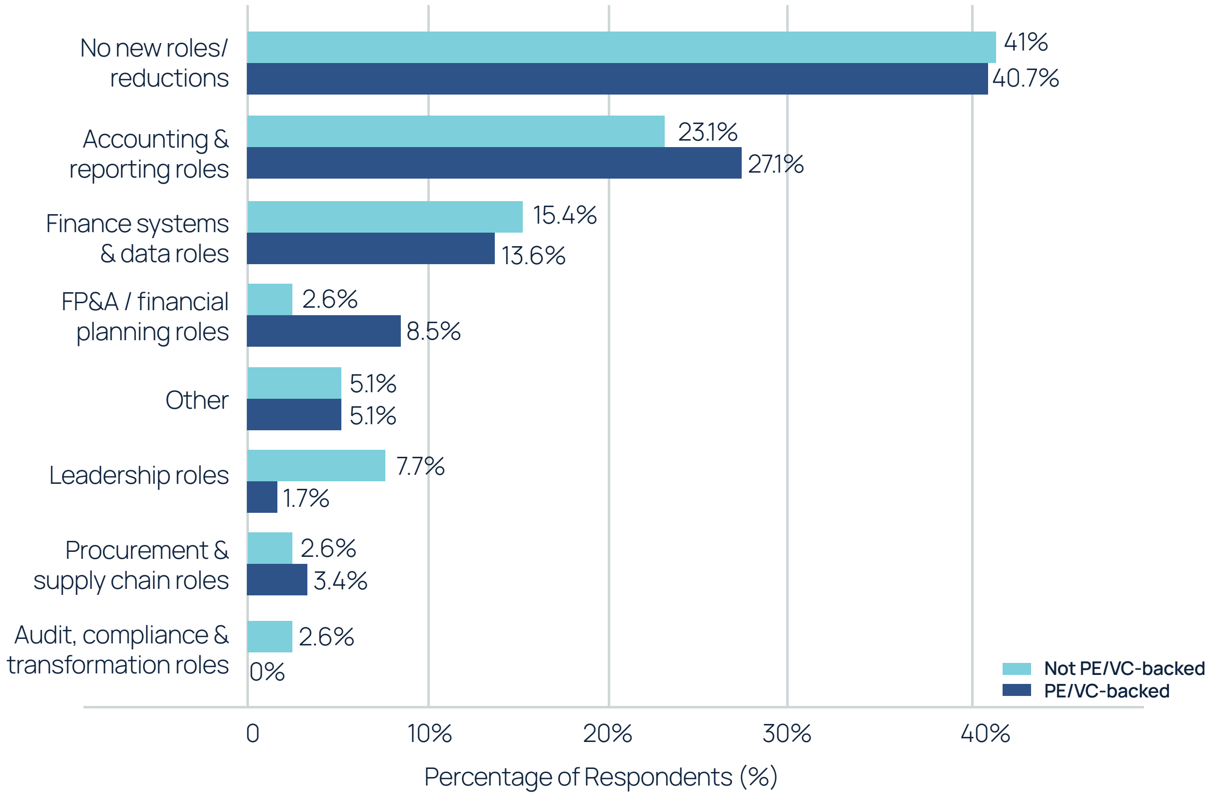
What's telling?

The data shows a split reality. Many Controllers are running leaner teams than ever, but those adding headcount are doubling down in two places: core accounting to keep up with volume, and systems/data expertise to future-proof processes.

Ownership status shapes finance hiring priorities.

Finance org charts don't evolve the same way everywhere. Whether or not a company is backed by private equity or venture capital can significantly influence what roles get added – and why. The data shows clear differences in hiring strategy based on ownership structure.

Distribution of new roles added to finance teams in the past 6-12 months, by ownership status



- **PE/VC PortCos prioritize investor-focused roles:** They hired significantly more FP&A talent (8.5% vs 2.6%) to deliver the granular forecasting, budgeting and SaaS metrics that private equity demands.

- **Privately owned firms focus on senior leadership:** At 7.7% vs 1.7%, private companies were far more likely to add senior roles like CFOs and Controllers. They're building governance infrastructure that investor-backed firms likely installed during their initial investment.

- **Both prioritize accounting & reporting, but for different reasons:** PortCos edge slightly higher (27.1% vs 23.1%), driven by investor reporting complexity. Private firms need these roles for basic transaction growth and compliance.

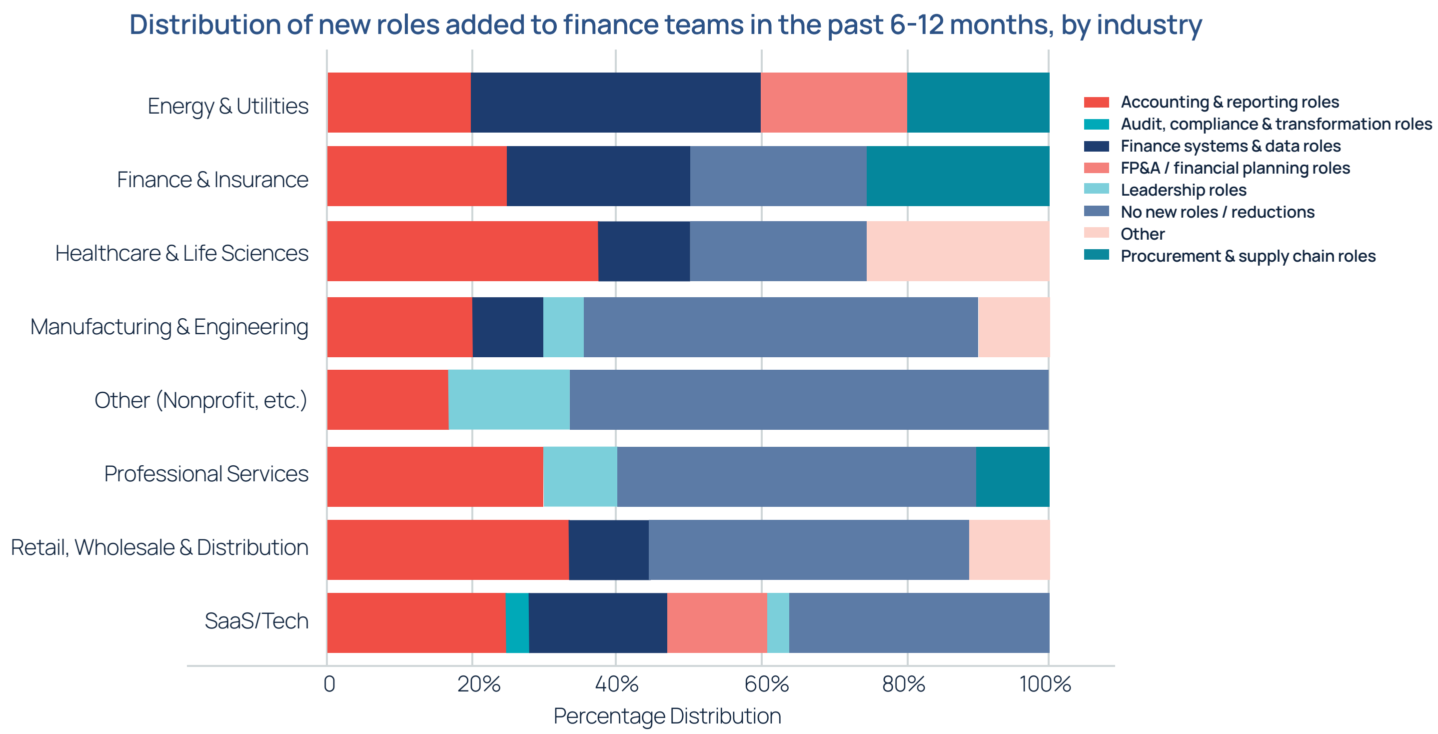
- **Investment in system/data management is surprisingly similar – around 14-15% for both groups.** But the specialization differs: PE/VC-backed firms hire targeted RevOps and automation specialists, while privately held firms lean toward broader business systems managers.

- **The "no new roles" rates are nearly identical at roughly 41% for both groups.** This suggests similar constraints – whether that's capital efficiency mandates from PE/VC firms or organic growth limitations at private firms.

Industry hiring patterns reveal where complexity hurts most.

Some industries doubled down on accounting fundamentals, while others scaled data and systems roles to support automation and reporting needs.

These patterns reveal how different sectors are gearing up for growth, complexity or scrutiny – and where they're choosing not to invest tells just as much.



***Note: Some industries featured in this chart had only a handful of responses. These patterns offer useful signals, but not definitive benchmarks.**

Energy & Utilities attack on multiple fronts

Finance systems & data roles dominate at 40% – the highest rate across all industries. FP&A, procurement & supply chain roles, and accounting all hit 20%, reflecting the operational complexity of energy operations. Zero report no new roles, indicating active expansion across this sector.

Healthcare prioritizes accounting foundation

Accounting & reporting roles peak at 37.5% – the highest rate across all industries. Other specialized roles spread across 25%, finance systems & data roles at 12.5%. Only 25% report no new roles, showing Healthcare as one of the most active hiring sectors.

Retail & Wholesale focus on accounting strength

Accounting & reporting dominates at 33.3%, with systems roles at 11.1% and other specialized roles at 11.1%. Nearly half (44.4%) report no new roles, suggesting these industries are selectively strengthening core capabilities rather than broad transformation.

Professional Services spread across core functions

Accounting leads at 30% with leadership at 10% and procurement at 10%. Half (50%) report no new roles, indicating measured expansion focused on foundational capabilities rather than specialized transformation.

SaaS/Tech balances foundation with automation

Accounting & reporting roles lead at 25% – likely driven by revenue recognition complexity and investor reporting demands. Systems & data roles follow at 19.4%, focusing on AI, automation and RevOps platforms. FP&A hiring hits 13.9%, reflecting investor demands for granular SaaS metrics. Over one-third (36%) report no new roles, signaling that proactive automation may already be underway.

Finance & Insurance diversify investment

The most balanced hiring pattern: accounting (25%), finance systems (25%) and procurement & supply chain (25%). Only 25% report no new roles – one of the lowest rate across industries – suggesting active expansion across multiple operational areas.

Manufacturing takes measured approach

Accounting roles at 20%, systems at 10% and other roles at 10% suggest targeted investments. Leadership minimal at 5%. Over half (55%) report no new roles, pointing to either recent efficiency gains or capital constraints in this sector.

Other industries stay conservative

Nonprofits, travel, real estate and media show the highest "no new roles" rate at 66.7%. When they do hire, leadership hits 16.7% with accounting at 16.7%. Resource constraints and project-based operations drive this lean approach.

Did you add new roles in finance this year?

If so, here's the more important question: Beyond their core responsibilities, how are those hires helping the team drive broader strategic impact?

Do they help the CFO achieve more in a scalable way? Are they reducing risk exposure? Sharpening insight for faster business decisions? In other words: are you getting the multiplier you were expecting – or just more throughput? Strategic outcomes tied to those roles need to be defined, visible and tracked.

- **If that new systems hire hasn't meaningfully reduced manual work, dig into why. Process gap? Low adoption? Priorities not clear?**
- **If you added FP&A capacity but the CFO still lacks confidence in financial reporting or the business keeps missing quarterly targets – look closer. Do they have real-time access to operational data? Direct input from department leads to validate assumptions? The tools to model tradeoffs fast enough to influence outcomes?**
- **And if audit risk hasn't moved despite more compliance staff, ask how deeply that team is embedded in the business. Are controls wired into processes or bolted on later? Are they building preventive workflows and training teams to catch issues upstream?**

Every new role should expand your team's reach, increase the strategic value of finance and de-risk decisions before they hit the CFO's desk. If that's not happening yet, you still have levers – the key is knowing which ones are worth pulling.

Controllers favor stakeholder consultation over structured frameworks for cost decisions

Only 7% of Controllers use a structured, repeatable approach to cost control decisions.

Most Controllers (93%) manage cost decisions through ad-hoc discussions with peers, drawing on prior experience or input from other departments. That works well in stable, predictable environments, where decisions don't face intense scrutiny.

But when conditions shift – whether it's high growth, budget pressure or investor oversight – those same teams often find value in a repeatable, structured approach that can withstand scrutiny and scale across functions.

Without that consistency, it becomes harder to justify or revisit past decisions. Especially when budget cuts accelerate, the absence of structure often leads to choices that teams later question. We'll explore this further in the next section, where rushed, informal cost decisions frequently show up as regret patterns later on.

A small group of Controllers shared the structured frameworks they use to bring consistency and defensibility to cost decisions:

- **Multi-criteria decision matrix (MCDM) scoring –** One controller shared how they apply a structured MCDM approach: start by defining the key criteria that matter – things like business impact, cost, risk, and usage. Each criterion is weighted based on importance. Then, for every cost item or project under review, they assign a score against each criterion. The result is a composite score that makes tradeoffs visible – and helps rank options based on the full picture, not gut feel.

- **Headcount analysis tied to business volume –** One controller shared how staffing decisions are driven by workload metrics within each business unit, making sure cuts aren't based on arbitrary percentage targets.

- **Business objective alignment with ROI tracking –** Some Controllers start by identifying strategic priorities, then evaluate investments based on usage patterns, performance and financial return. Spending decisions are shaped by what's delivering value – not just what's expensive.

- **Board benchmarking for external validation –** One controller uses peer benchmarks and board feedback to stress-test spend levels. When directors bring comparative insights from other portfolio companies or industries, it helps calibrate where cuts are reasonable – and where they might be short-sighted.

- **Cost categorization by business criticality –** Rather than broad-based cuts, one controller segments costs by type and importance: fixed vs variable, compliance-mandated vs discretionary, high-usage vs declining. It creates a structured way to prioritize reductions without harming core operations.

- **Forecast impact analysis –** Before finalizing cuts, one controller models the downstream impact on financial forecasts – EBITDA, runway, future budget flexibility. It's not just about the immediate savings but about what happens next quarter, too.

If so few are using proven, structured approaches, how are Controllers making the right calls on cost?

Framework adoption stays consistently low regardless of company characteristics.

Only ~7% of controllers use a structured approach – regardless of ownership, company size or industry. And among those who do, over half (57%) are in SaaS/Tech.

Even geographic location shows minimal variation – APAC and EMEA Controllers demonstrate only slightly higher framework usage while US Controllers represent the majority of those operating without structured guidelines.

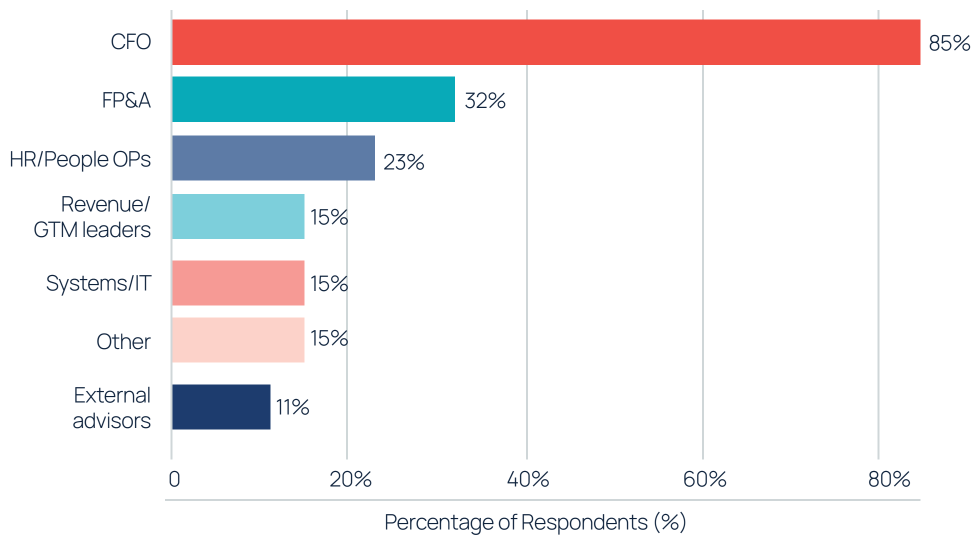
It's a striking disconnect: **79% say profitability drives their cost control efforts, yet fewer than 1 in 10 apply systematic approaches to back those choices.**

Controllers consult across functions to de-risk every cost move.

Controllers don't make cost decisions in a vacuum – and the data reflects that. There's a clear hierarchy of alignment.

- **CFO (85%)** – No surprise here. Executive buy-in isn't optional. Cuts without CFO backing rarely stick, and any reinvestments need to map to the broader financial strategy.
- **FP&A (32%)** – Scenario modeling, forecast impact, cash flow timing – FP&A helps pressure test the plan. Controllers rely on this partnership to make defensible decisions and avoid downstream surprises.
- **HR / People Ops (23%)** – Nearly 1 in 4 Controllers loop in HR early when decisions affect comp, headcount or structure. It's a proactive move – not just for compliance, but to avoid unintended fallout across teams.
- **Revenue / GTM leaders (15%)** – Cuts to marketing, sales tools or customer-facing spend trigger a different level of scrutiny. Controllers bring in these leaders when there's revenue risk tied to the decision.
- **Systems / IT (15%)** – Every cost change has a systems implication. Whether it's vendor removal, tech consolidation or tool rollout, Controllers know better than to go solo without IT's lens on risk.

Whom Controllers consult on cost decisions



CFOs are always at the table – who else depends on company size

less than $50M: CFO + HR = the core team – At this stage, Controllers move fast and lean. CFO consultation is near-universal (80%), and HR ranks second (30%) – a reflection of cost decisions that often hit headcount. But FP&A and IT barely register (10% each), showing that broader strategic input is still limited.

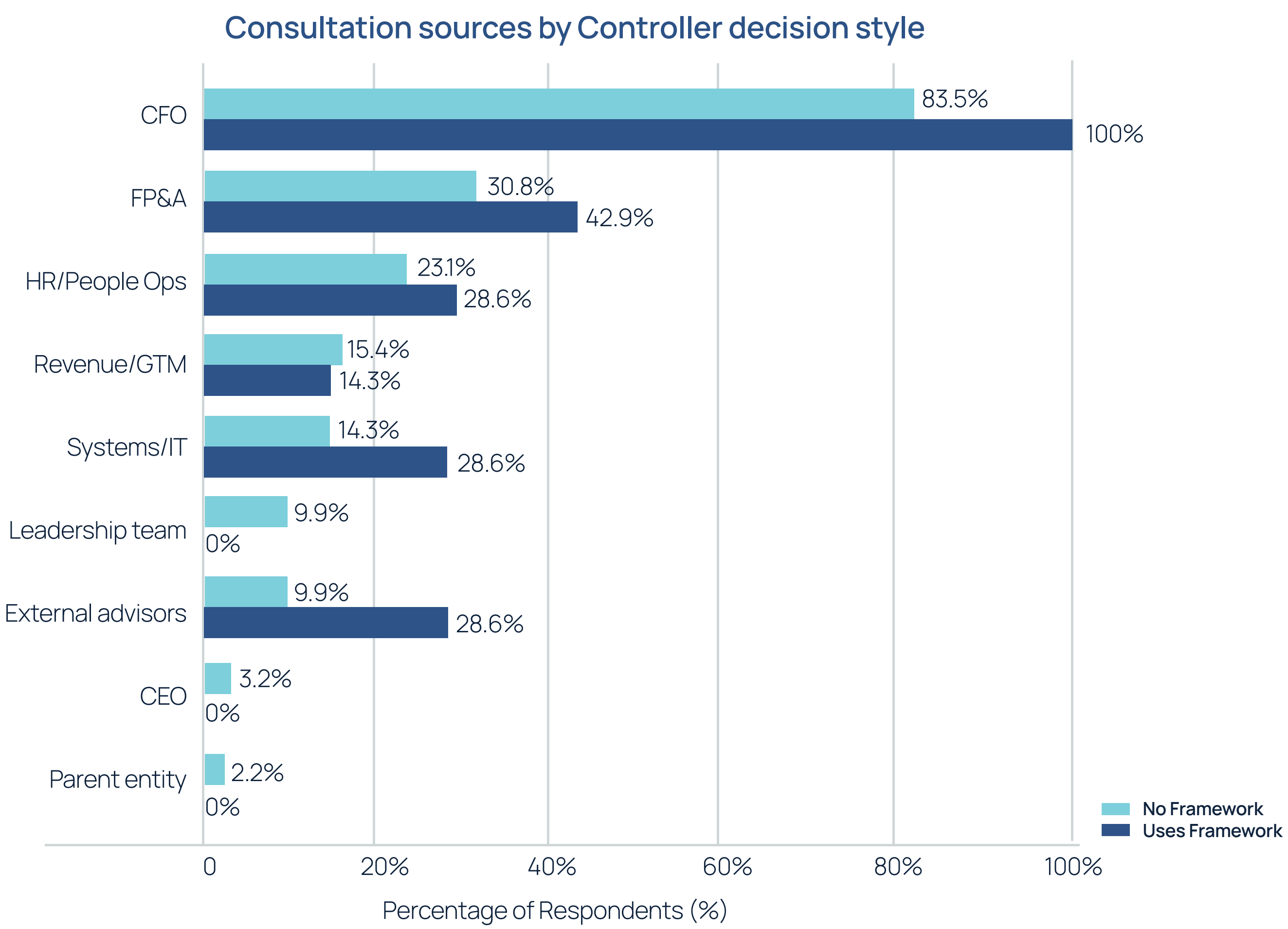
$51M–$250M: CFO + FP&A become the planning engine – CFO involvement jumps to 89%, but the real shift is in FP&A (43%) – now a key partner for modeling impact and defending choices. IT (21%) and HR (18%) support starts to show up too, helping Controllers manage tradeoffs across people and systems.

$251M+: CFO + GTM + FP&A = a shift toward revenue and performance –
At scale, CFO alignment holds steady (86%), but Controllers start bringing in FP&A (57%) and GTM leaders (36%) to weigh how cuts affect growth. Yet HR (21%) and IT (14%) remain surprisingly underused – even as decisions carry broader operational risk.

The small group using structured approaches to cost control decisions (like multi-criteria decision matrices, ROI tracking, business criticality segmentation) shows different consultation patterns:

- **100% align with the CFO** – No controller operating without executive backing.
- **2x more likely to involve Systems/IT** – Avoiding implementation issues and downstream tech regrets.
- **Consult FP&A more consistently** – More robust scenario planning and fewer surprise tradeoffs.
- **Nearly 3x more likely to bring in external advisors** – not just for input, but to pressure-test decisions when internal consensus is hard to reach.

Controllers who take this approach say it reduces resistance, sharpens decision quality and helps avoid costly reversals.



Trusted decisions aren't made in isolation

You don't need a 100-page playbook to make cost decisions that hold up under scrutiny. But you do need structure – and a sounding board.

Start by building your network of internal advisors. CFO. FP&A. HR. GTM. IT. Not just for sign-off, but for pressure-testing assumptions early.

Then borrow what works:

- **Simple scoring frameworks to weigh cost vs. impact**
- **Forecast modeling to map short-term cuts to long-term effects**
- **Categorization techniques to avoid blunt reductions that break critical operations**

And when decisions get high-stakes? Bring in outside perspective. A peer benchmark. A board lens. A trusted external voice. Instinct still plays a role – but it shouldn't be the whole plan.

Unstructured decisions often come back as regrets. Let's look at the areas Controllers wish they'd handled differently.

Many Controllers made cost cuts they now wish they had handled differently

47% of Controllers have no regrets about their cost-cutting decisions, but for those who do, headcount cuts top the list.

When we asked Controllers about cost cuts they regret, more than half (53%) said they regret cutting, mostly in two main areas:

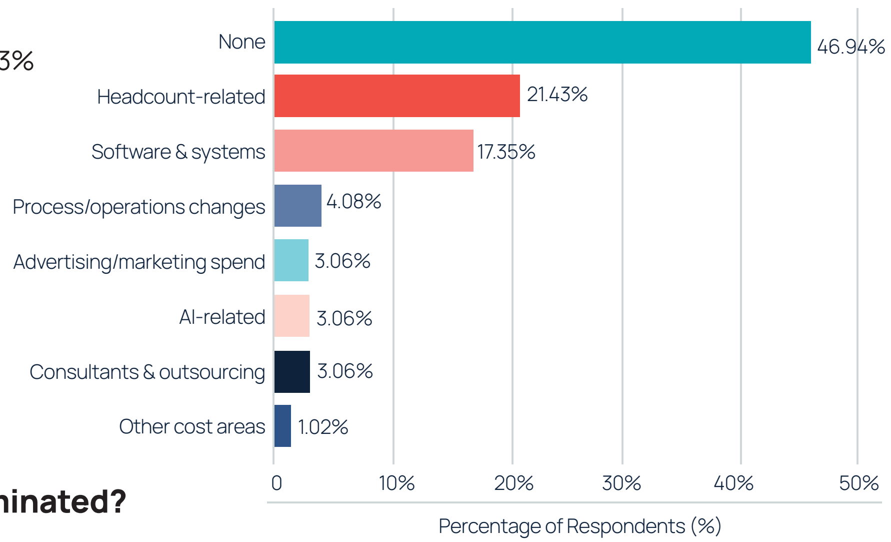
- **Headcount cuts dominated regrets:** 21% of Controllers wished they'd handled workforce reductions differently. The pain points weren't just about numbers – Controllers described losing institutional knowledge, burning out remaining staff and eventually facing costly rehiring.

- **Technology decisions ranked second:** 17% regretted software and systems choices. These weren't necessarily about spending too much, but rather about cutting the wrong things. Controllers mentioned regretting decisions like downgrading essential tools, delaying ERP upgrades (such as enhancing the ERP with native SuiteApps that could have saved money long-term), or under-licensing software that ended up creating workflow bottlenecks.

- **Smaller regret categories included:**
  - Process/operation changes – 4%
  - Advertising and marketing spend – 3%
  - AI-related spend – 3%
  - External consultants and outsourcing – 3%

Each represented tactical decisions that seemed smart initially but created operational headaches later.

Distribution of cost-cut regret by cost category



Where cost control activities dominated?

When asked what areas were the most often targeted for cost control in the past 12 months, Controllers pointed to:

- **Vendor contracts & procurement (48%)**
- **Other business headcount (45%)**
- **Finance headcount (44%)**
- **Travel and team events (38%)**
- **Financial software & tools (35%)**
- **Consulting spend (31%)**

What motivations lie behind these cost cuts?

- **Margin pressure comes first:** Nearly 8 in 10 (79%) said cuts were motivated by the push to protect profitability.
- **Efficiency is the second lever:** Over half (51%) said their goal was to reduce manual work and automate processes.
- **Strategic shifts also played a role:** 38% linked their cost cuts to business model changes, from pivoting away from growth-at-all-costs to preparing for sustainable profitability.
- **Outside pressure can't be ignored:** One in four (25%) cited investor or board-mandated reductions.
- **Technology migrations mattered too:** 23% pointed to system consolidation or ERP unification as both a cost and efficiency play.

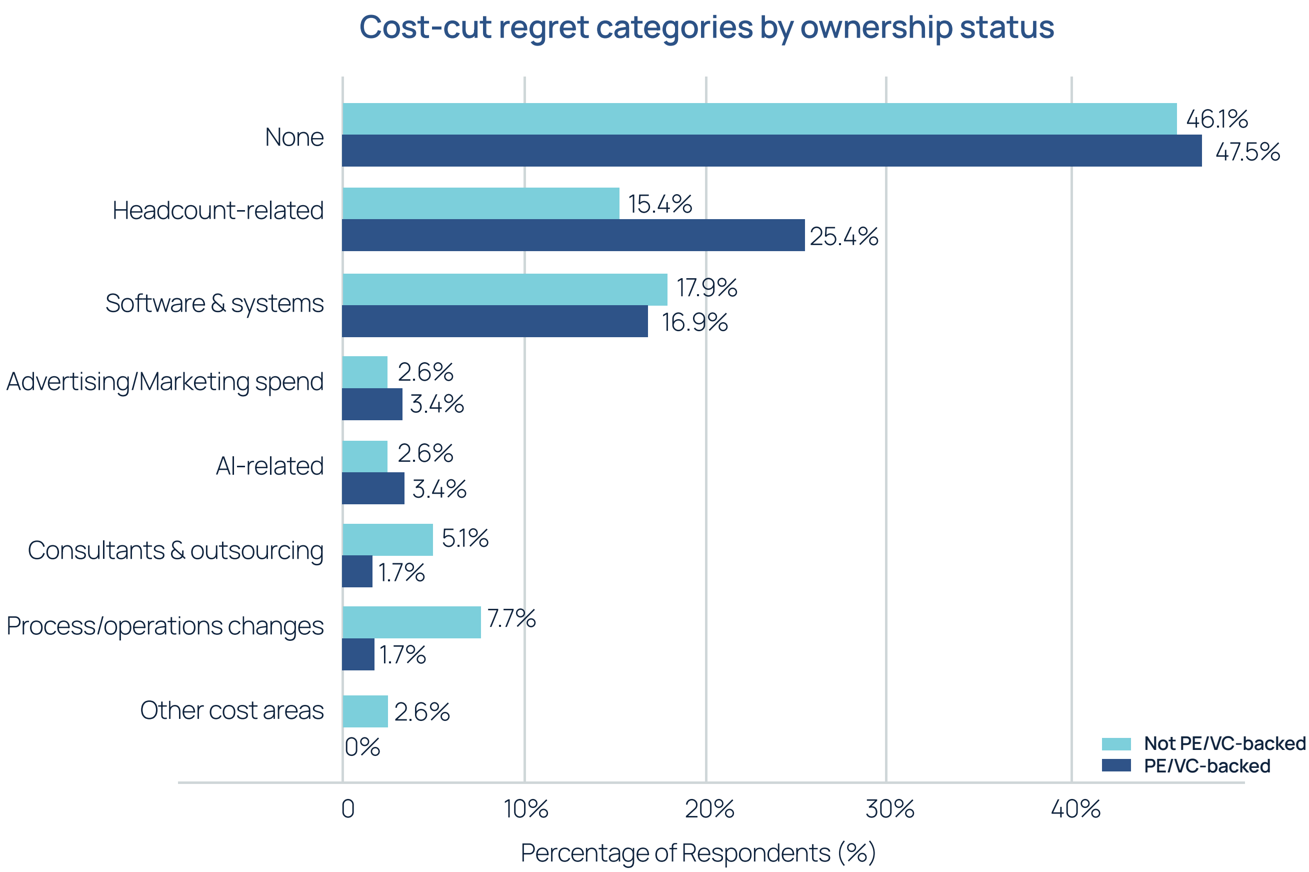
What's Telling

The 47% with no regrets either made deliberate cuts or haven't yet felt the downside. But for those who do regret it, it often comes down to how those decisions were made. Without HR, IT or GTM in the room, some costs slip through – not because they're untouchable, but because no one's there to challenge them.

Now compare that list to the regrets. Headcount reductions and technology decisions were both high on the list of cuts – and they're the ones most often second-guessed. The correlation is clear: areas under the most pressure to deliver immediate savings are also the ones most likely to create downstream pain if cut too aggressively.

PE/VC-backed Controllers face more aggressive cutting timelines – and regret it more often.

The data reveals how investment backing shapes cost-cutting decisions and their outcomes:



- **Investor-backed firms regret headcount cuts more frequently**: 25.4% versus 15.4% for private companies. This likely reflects the pressure to hit EBITDA targets quickly, leading to deeper workforce reductions that prove unsustainable. These Controllers described having to rebuild teams they'd cut too aggressively.

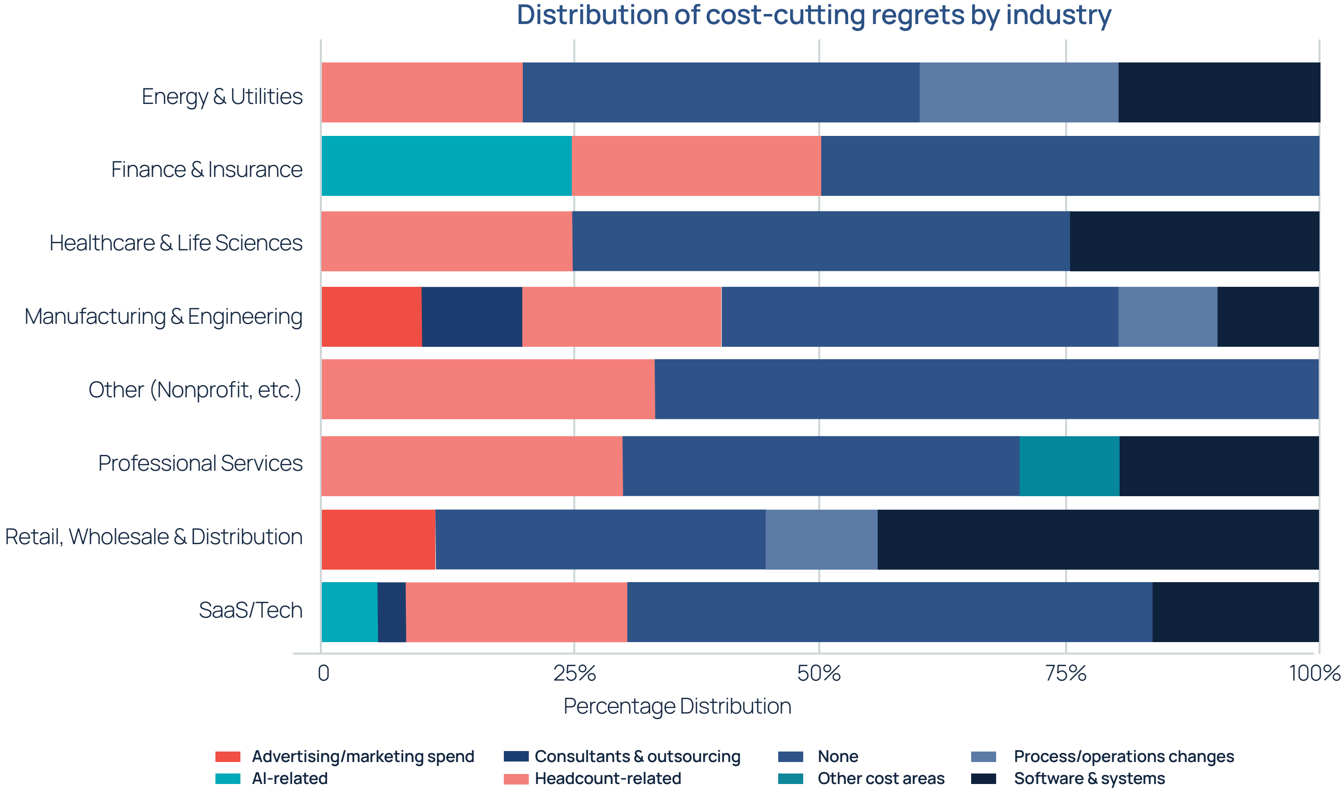
- **Technology regrets remain consistent across both groups**: 17% of PE/VC-backed Controllers regret software decisions compared to 18% of privately owned firms – essentially identical rates. This suggests technology cutting decisions face similar challenges regardless of ownership structure.

- **Private firms face more regret around operational changes:** Regret rates for outsourcing (5.1% vs 1.7%) and process or operations changes (7.7% vs 1.7%) are both notably higher than in PE/VC-backed firms. This might reflect the lack of structured support private companies often face. investor-backed firms typically have access to operational experts, shared playbooks and networks of vetted partners. Private firms are more likely to go it alone.

- **"No regrets" rates are nearly identical**: 47.5% of PE/VC-backed firms versus 46.1% of private companies report no regrets – a negligible difference.

Regret patterns expose sector-specific vulnerabilities.

Some industries have a clear center of gravity. Others regret everything a little.



Note: A few industries featured in this chart had smaller response counts. Consider these patterns indicative rather than conclusive benchmark

SaaS/Tech leads in confidence

53% report no cost control decision regrets. When they do second-guess decisions, it's typically headcount (22%) or software/systems (17%). These teams are used to scaling fast, testing constantly and making calls with limited data.

Retail and distribution stand out for tech-related missteps

More than 40% regret software and systems cuts – significantly higher than any other industry. In an environment dependent on inventory visibility, POS systems and real-time demand signals, pulling the wrong plug can trigger a chain reaction fast.

Manufacturing spreads regrets across categories

Regret is fragmented – headcount (20%), outsourcing (10%), marketing (10%), process (10%), software (10%) – it's all in play. This reflects a sector where everything is interconnected. Pull one lever, something else moves.

Healthcare and Finance show high 'no regret' rates – but different exposures

Both sit at 50% no regrets. But Finance shows sharper regret in AI (25%) and headcount (25%), while Healthcare skews toward headcount (25%) and software (25%). The difference may come down to how these industries are navigating tech transformation with very different risk appetites.

Controllers who regret cuts often cite rushing decisions or applying blanket reductions. Those with no regrets tend to analyze workloads first, invest in training during transitions and tailor cuts to specific functions rather than across-the-board percentages.

Insights

Nonprofit and other mixed sectors play it safe – or stay quiet

67% report no regrets. Headcount shows up at 33%, but little else. Whether that signals more caution, slower change or less visibility into impact isn't clear.

Professional services regret the people, not the tools

30% cite headcount cuts as their biggest misstep. That tracks in a business where value walks out the door every time a capable person does. Only 20% regret software-related cuts, reinforcing that people – not platforms – drive performance here.

Taken together, these patterns remind us that SaaS companies may be more comfortable trimming headcount, whereas retail teams can't afford the wrong tech cuts – underscoring that there is no one-size-fits-all approach.

What Controllers would do differently

Don't cut headcount blindly

Many would analyse workloads and operational efficiency before eliminating roles. A SaaS/Tech controller mentioned a salami slice approach to headcount reduction is not the correct approach – each department needs to consider how structure aligns to current business goals. Others emphasised hiring replacements sooner or automating processes to support remaining staff.

Invest in people and training

Several respondents wished they had funded training or hired contractors during ERP implementations. One said, "Did not spend enough on training and process documentation ... would recruit a contractor to work solely on the implementation".

Prioritize strategic technology spending

Controllers regretted downgrading tools (like switching from Zoom to MSTeams) or delaying NetSuite/ERP enhancements. They highlighted the hidden costs of cheap tools (e.g., lacking features, constant license reassignment) and stressed that investing in AI, BI and automation should follow process maturity.

Approach outsourcing cautiously

Offshoring payables or consolidating global roles can backfire if local knowledge is required. Controllers suggested phasing outsourcing projects, maintaining local expertise for complex geographies and ensuring sufficient training.

Avoid across-the-board cuts

Whether in headcount or marketing, respondents warned against uniform percentage cuts. They would tailor reductions to each function, protect core capabilities and maintain lead-generation activities.

Maintain preventive maintenance and morale

One energy company learned that skimping on delivery-fleet maintenance led to higher long-term costs. Another regretted not giving promised raises, noting the negative impact on morale.

Regrets tell one side of the story. The other is the costs everyone knows could be trimmed, yet never are.

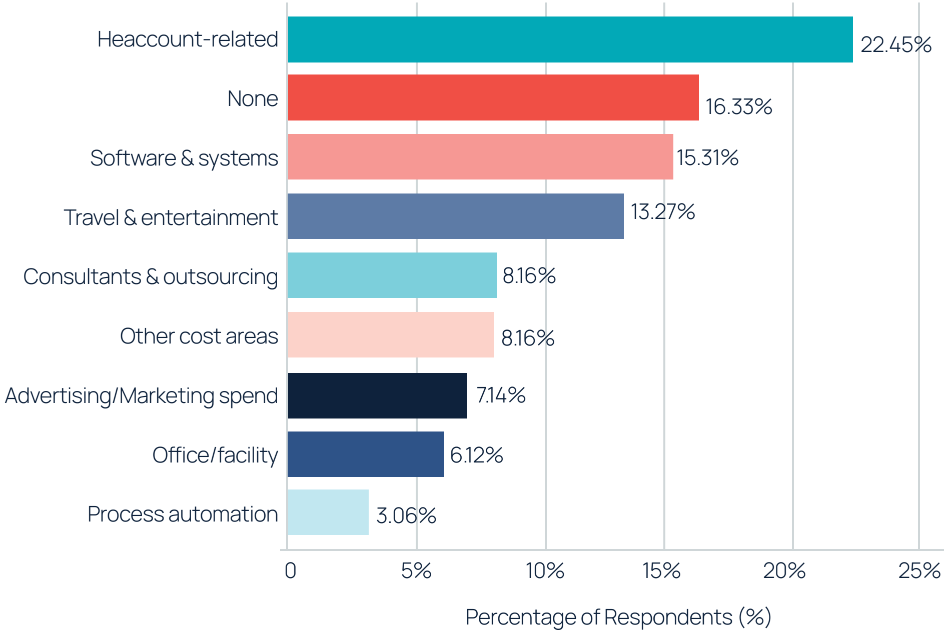
Some costs are off-limits, even when Controllers want to cut them

Controllers face a paradox: the biggest potential savings are often untouchable.

When we asked Controllers what costs they'd like to reduce but feel unable to touch, three types of expenses stood out: headcount, software and travel. These are often deeply embedded in how companies operate.

Cuts could affect service levels, team morale or business continuity. In many cases, finance teams don't have full authority over these decisions or face resistance due to cultural expectations, contractual obligations or lack of alternatives. Even where savings are visible, the path to unlocking them is rarely simple.

Cost control areas Controllers would like to prioritize, but can't



- **Headcount tops the wishlist at 22.4%** – But not because teams are bloated. Many say teams are already lean, and roles are specialized, seasonal or difficult to backfill. In some cases, the blockers are cultural: a controller at a family-owned business said reducing staff is "off-limits." In others, it's organizational: several noted they don't own the final say on staffing, or that executive comp isn't something they can challenge.

- **16.3% say there's nothing left to cut** – These Controllers describe budgets already optimized to the bone. Instead of traditional cuts, they're investing in automation, process efficiency and longer-range forecasting to stay ahead. As one put it: "Everything we spend money on is necessary for operations."

- **Software and systems constraints hit 15.3%** – Controllers feel trapped by technology costs despite wanting relief. Reasons range from SaaS sprawl to long-term ERP contracts they can't exit. Others cited change management fatigue or lack of internal resources to consolidate tools. Some said software costs are growing faster than usage, but eliminating tools would disrupt core processes.

Company size shapes untouchable costs

Smaller companies (<$10M) lean heavily on consultants (36.4%), but feel stuck with the expense – often because they lack the internal headcount or expertise to replace that support.

Mid-market firms ($51M–$250M) most commonly cite software costs (22.7%) as untouchable. Many are running legacy stacks or overlapping tools they can't unwind without disrupting operations.

Larger companies ($1B+) struggle with headcount and embedded cost structures. 33% cite "other costs" they can't influence directly – including legal, compliance and tax. These aren't always controllable from finance, even if finance owns the budget.

> "Cost of ERP integration, team meetings and labor has been exorbitant. Choosing to cut costs can be detrimental if not thought through thoroughly."
>
> **– Controller, Energy & Utilities**

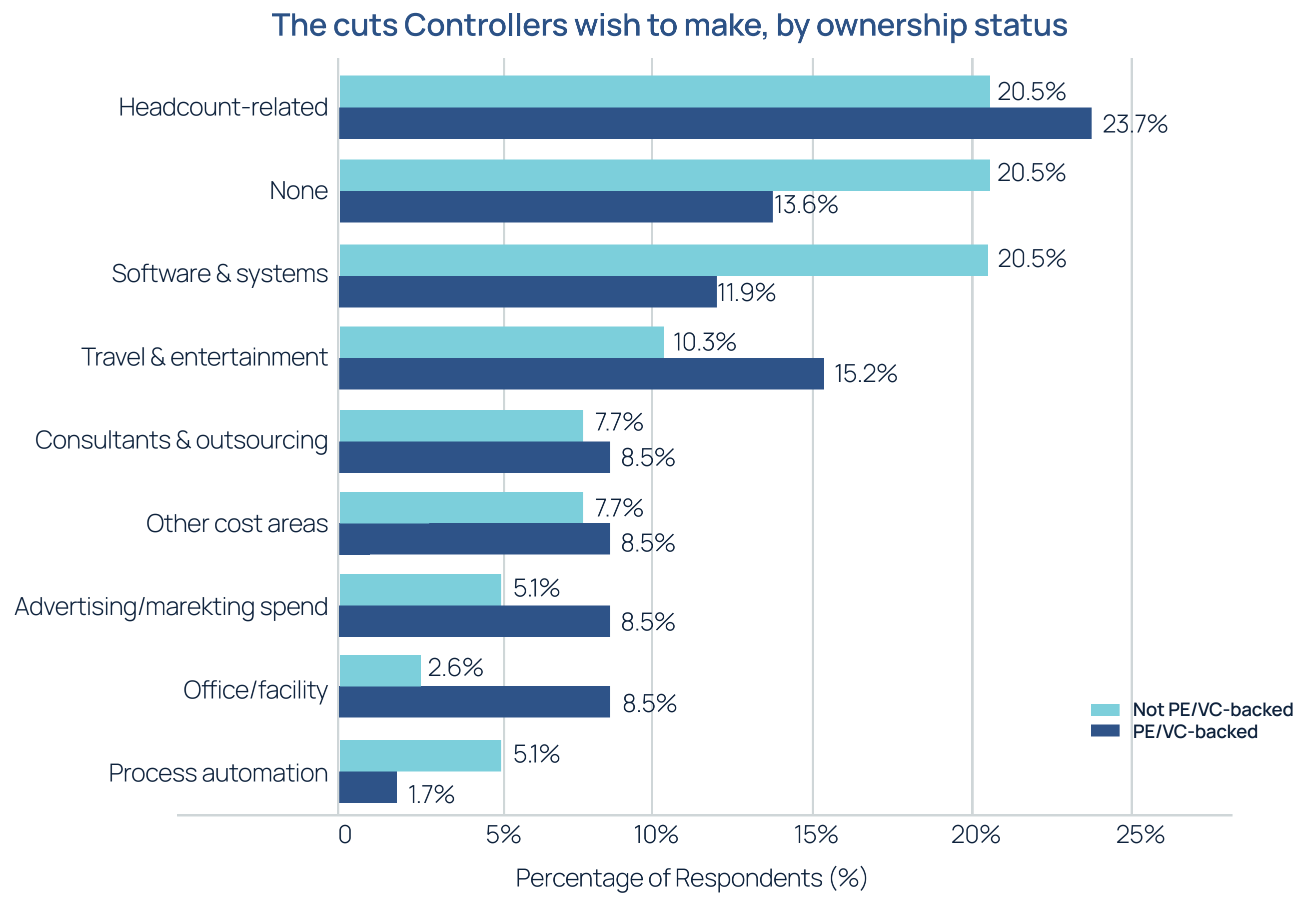
- **Travel expenses sit at 13.3%** – Many Controllers would reduce travel, but say the decision is outside their scope. Travel is often managed by exec teams or justified for sales and client relationships, leaving finance with little say over costs they view as excessive.

- **Consultants and outsourcing at 8.2%** – Controllers frequently point to expensive external partners they can't eliminate. While some would prefer to bring functions like payroll or audit in-house, skill gaps, compliance demands or board expectations often make that unrealistic.

Investment backing changes which costs feel immovable.

PE/VC-backed Controllers more frequently wish they could cut travel (15.2% vs 10.3%) and office facilities (8.5% vs 2.6%) – despite knowing those expenses are often fixed, centralized or part of executive priorities.

That tension likely reflects investor pressure on discretionary spending, even when the controller's team doesn't own the decision. Long leases, centralized travel budgets and leadership preference for face-to-face collaboration make these costs hard to touch.



Controllers in privately owned companies are nearly twice as likely to want software cuts they can't make (20.5% vs 11.9%), often due to practical barriers.

Several cited overlapping tools, legacy ERPs or expensive point solutions they'd like to consolidate, but can't due to cross-functional dependencies or limited internal bandwidth to manage a change. One controller noted that even though the tech stack bolted on to their ERP feels bloated, vendor contracts and implementation effort keep them locked in – "the bolt-on software isn't ideal, but pulling it could break more than it fixes."

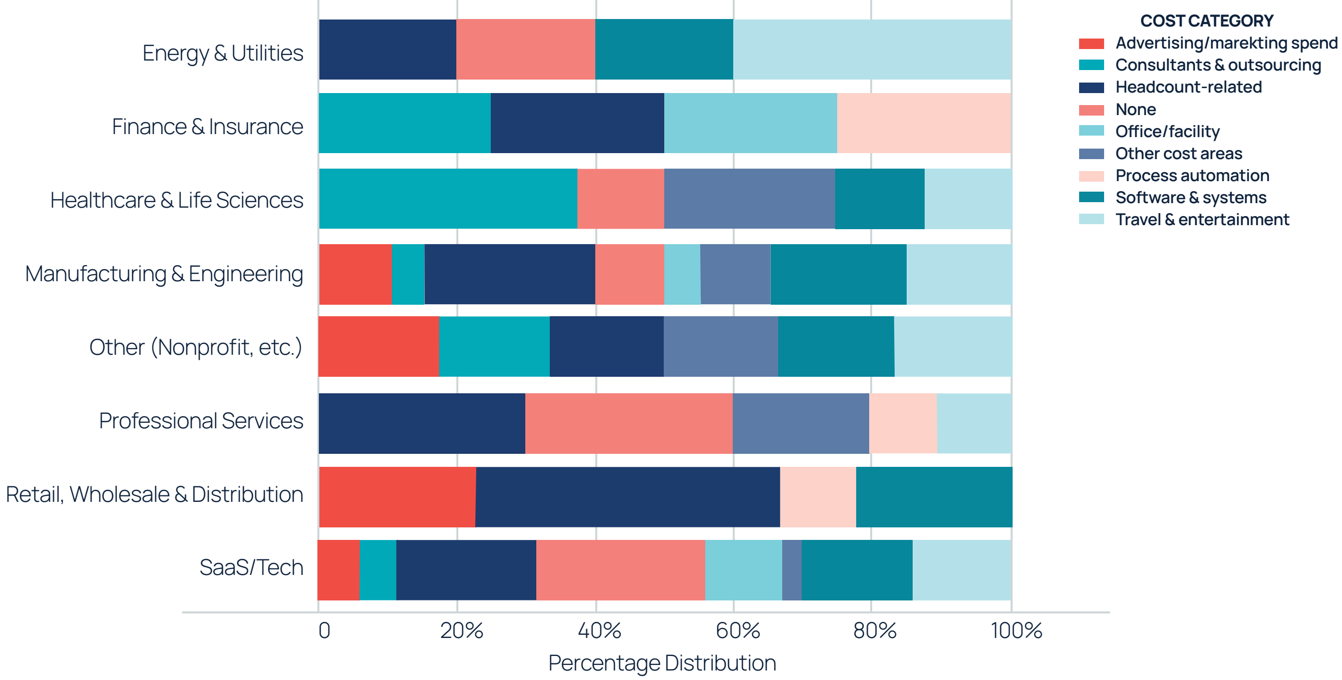
Each industry faces its own untouchable costs – from headcount to software to travel.

When Controllers answered what costs they wish they could cut but can't, the constraints varied by sector. Some see nothing left to trim. Others are pinned by people costs, software or travel. Here's how the mix changes across industries.

Controllers are often clear-eyed about what could be optimized – but less empowered to make the call. Whether it's a tool they don't administer or a lease they didn't sign, many cost decisions live outside finance's control – even when finance carries the accountability.

Insights

The costs Controllers want to cut but feel they can't, by industry



Note: A few industries featured in this chart had very small sample sizes. Consider these patterns directional, not conclusive.

- **Most SaaS/Tech Controllers have nothing on their 'cost control wishlist' (25%), and many of them want headcount cuts (19.4%)** but describe lean operations where reductions would hurt growth. Software constraints follow at 16.7%, with many noting they're locked into essential development and infrastructure tools.

- **Manufacturing Controllers lead with headcount desires (25%)** but cite skilled labor shortages that make cuts impossible. Software and systems rank second (20%) – production systems they can't afford to change or downgrade.

- **Retail, wholesale and distribution Controllers overwhelmingly want headcount cuts (44.4%)** but say customer service requirements prevent reductions. Advertising and software each rank at 22.2%, reflecting margin pressure on both growth investments and operational systems.

- **Healthcare Controllers most want to eliminate external consultants and outsourcing (37.5%)** but depend on external expertise for compliance and specialized operations. One mentioned preferring in-house capabilities but lacking the regulatory knowledge to make the transition.

- **Professional Services split evenly between wanting headcount cuts and having nothing to cut (30% each).** Those wanting people cuts describe client service requirements that prevent reductions.

- **Five Controllers in the Energy & Utilities industry said they wish to cut travel costs (40%)** – often essential for field operations and site visits but expensive and centrally managed, limiting finance's control.

- **Four Controllers in Finance & Insurance show no dominant pattern,** with wants evenly split across headcount, consultants, facilities and process automation – each at 25%.

- **Six Controllers in other industries such as nonprofit, travel and real estate also show no dominant trend,** splitting evenly across advertising and marketing, outsourcing, headcount, software and systems, and travel – each at 16.7%.

These differences highlight the reality that what's off-limits in healthcare (outsourcing) isn't the same as what constrains SaaS (critical software) or energy (travel), reminding Controllers to define their own constraints before pursuing the next round of cuts.

What does this mean for you?

If you're feeling stuck, you're not alone – many of the costs Controllers want to cut most are outside their direct control.

The real opportunity? Get ahead of the next cost conversation by increasing forecast visibility into these "untouchable" areas. Even if you can't pull the trigger, you can flag risk, model tradeoffs and pressure test scenarios – so you're not reacting under fire.

And if you're eyeing software or consultant reductions but feel blocked? Start building a transition roadmap now. Start tracking usage, mapping dependencies and setting success criteria – so when the business is ready, finance is too.

Those immovable costs underscore a tension – finance leaders may be eager to optimise, yet their bosses are asking for even more: deeper insights, faster reporting and the adoption of AI.

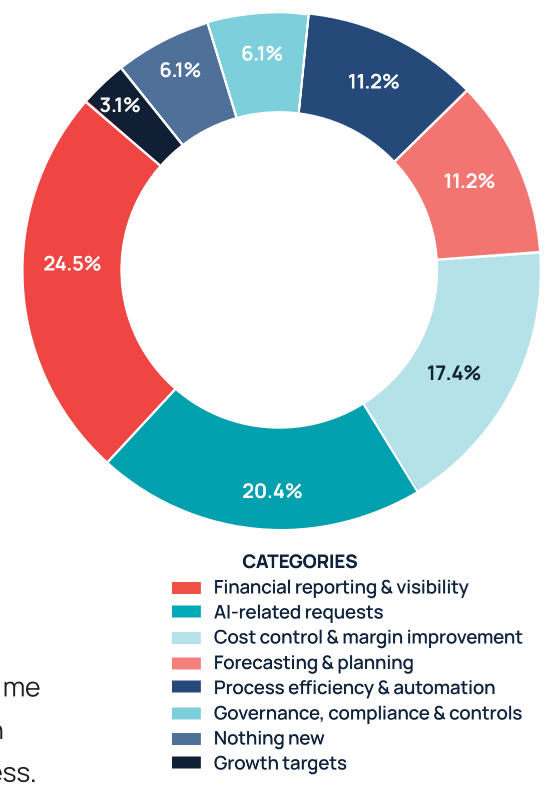
Leadership demands are expanding while Controllers find themselves defending more decisions

Finance is being pushed beyond basic reporting – leadership wants insights, innovation and profitability.

When we asked Controllers what leadership demands in 2025 that weren't expected 12 months ago, three priorities dominated: evolved financial reporting, AI initiatives and intensified cost control.

- **Financial reporting leads at 24%** – Leaders want real-time dashboards, budget-to-actuals that explain variances and spend breakdowns by vendor and customer. Controllers report demands for "more detailed spend by vendor analysis" and "faster budget vs actuals analysis and monthly narratives on operational performance."
- **AI priorities jump to 20%, but most teams are still figuring out where it fits –** Leadership asks have shifted from explore AI to show me impact. Controllers are being pushed to define KPIs, map integration plans and ERP-aligned initiatives, and prove enterprise-wide readiness.

Current leadership asks



> A common theme emerging in 2025 is that executive leadership and boards are demanding clearer, faster visibility into AI ROI and enterprise-wide AI readiness, which wasn't as urgent a request just a year ago.
>
> **– Priyanka Falor, Assistant Controller at Emerson Collective**

- **Cost and margin improvement hits 17%** – Controllers cited vendor reviews, spending cuts and zero-based budgeting. Some are being asked to compare cost/margin data by product or margins by customer or job, adding new layers to analysis.
- **Forecasting and planning holds steady at 11%** – but with more rigor. Controllers reported rising pressure for cash flow detail, more frequent reforecasts and longer-term scenario modeling.
- **Process efficiency and automation also hit 11%** – focused on faster closes, automated budgeting and ERP overhauls. The message: standardize and streamline to meet rising demands without growing the team.
- **Governance and growth sit in low single digits** – but the asks are sharp: audited financials, IPO readiness, ESG reporting. Even where the numbers are small, the stakes are high.

Leadership asks vary dramatically by company size. Small companies face the most urgent cost pressure **– 27% of less than $10M firms report new cost control demands from leadership. Mid-market companies see the biggest shift toward reporting demands (32% of $51M-$250M firms)**, while near-unicorns face the highest AI pressure with **40% of $501M-$1B companies getting AI directives from leadership.**

Leadership's ask list is growing longer – and more frequent.

In the last 12–24 months, Controllers say they've been expected to deliver more of the following:

- **Cash flow projections and liquidity planning** (56%)
- **Real-time budget vs actuals tracking** (48%)
- **Vendor spend analysis and cost justifications** (47%)
- **Margin breakdowns and cost drivers** (46%)
- **Board-ready financial reports** (45%)
- **Scenario-based forecasts** (42%)
- **Audit-ready financials** (42%)

That's a lot of precision reporting. And it's happening more often, not just at year-end.

Yet when it comes to support for this increased demand...

- 52% of Controllers say they're asked to justify their headcount or tech stack, especially during major restructuring or budget cuts
- 42% say finance headcount is still one of the top things they're asked to defend
- 42% are also pressed to justify spend on external advisory or consulting
- 20–25% face budget scrutiny around ERP systems and automation tools

So the message is clear: Do more. Deliver faster. Defend everything

Think about where AI adds value – and where it adds risk.

One in five Controllers say leadership is now asking for AI initiatives. But when asked what workflows changed in the past year, almost no one pointed to live AI workflows. Instead, they mentioned tools like ZoneCapture with GenAI – enhancements that extend trusted ERP workflows, not replace them.

Before completely switching to a system with AI at its core, think about this:

- Is AI accelerating budget vs actuals and variance analysis – or just creating another manual step?
- Will AI actually improve visibility into spend, liquidity and working capital – or just require you to double-check everything it outputs?
- Will your auditor sign off on fully AI-generated numbers?

That's the difference between embedded AI inside trusted ERPs like NetSuite – and AI-first ERPs now emerging in the market. One strengthens proven processes. The other replaces them – without the history, governance or control finance teams rely on.

Leadership in PE/VC-backed companies pushes hard on AI and reporting. C-suite in private companies prioritizes forecasting.

Finance teams at PE/VC-backed and privately held companies share some priorities – like financial reporting – but diverge in key areas.

For PortCos, AI adoption (25%) rises to the top alongside reporting, reflecting investor expectations for scale, automation and real-time visibility.

Private companies, on the other hand, are more focused on forecasting (23%) – a signal they're still building foundational capabilities for forward-looking visibility.

The difference in new demands between PE/VC- and privately owned firms:

- **AI-related asks from leadership nearly 2x higher in PE/VC-backed companies – 25% vs 13%:** Leadership in these firms is pushing for specific AI integrations across functions, from automated reporting and close processes to weighing AI investment against headcount growth. They want measurable AI KPIs and clear adoption roadmaps by department.

- **Forecasting ranked far higher for teams in private companies – 23% vs just 3% for PE/VC-backed:** That sevenfold gap suggests investor-backed companies may already have forecasting maturity in place – while teams in private companies are still trying to build it.

- **Financial reporting was a top ask for both – but slightly higher in private companies (25%) vs PE/VC-backed (23%):** But the type of reporting differed. PE/VC-backed companies emphasized investor-facing outputs like ARR roll-forwards and board packs.

It's no coincidence that many of the new hires outlined earlier in the report – Accounting and reporting roles, FP&A analysts, ERP specialists and AI experts – align with leadership's push for sharper reporting, better forecasting and AI readiness.

Insights

- **Cost and margin improvement was common across the board – 18% for private and 17% for PE/VC-backed:** Requests pointed to tighter budgeting, vendor margin analysis and department-level profitability.

- **Process automation demand skewed PE/VC – 14% vs 8%:** Another sign that investor-backed companies are under more pressure to scale without headcount.

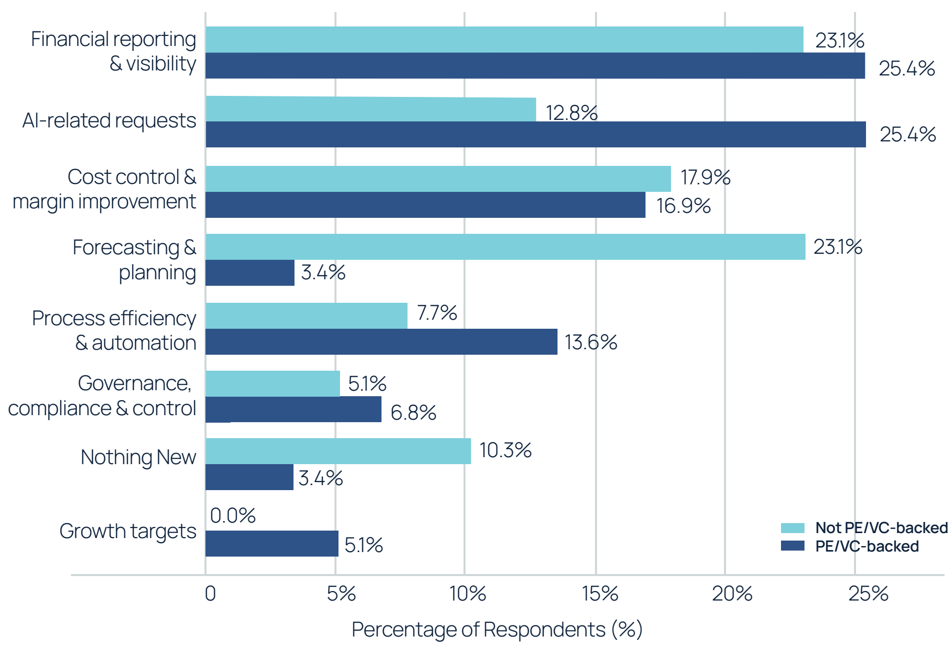
- **'Nothing new' showed up 3x more for privately owned companies – 10% vs 3%:** That could signal less urgency to shift, limited resources for new initiatives or more stability-focused leadership.

When you look at the data side by side, two clear contrasts stand out:

- **PE/VC-backed companies** are prioritizing AI and process automation

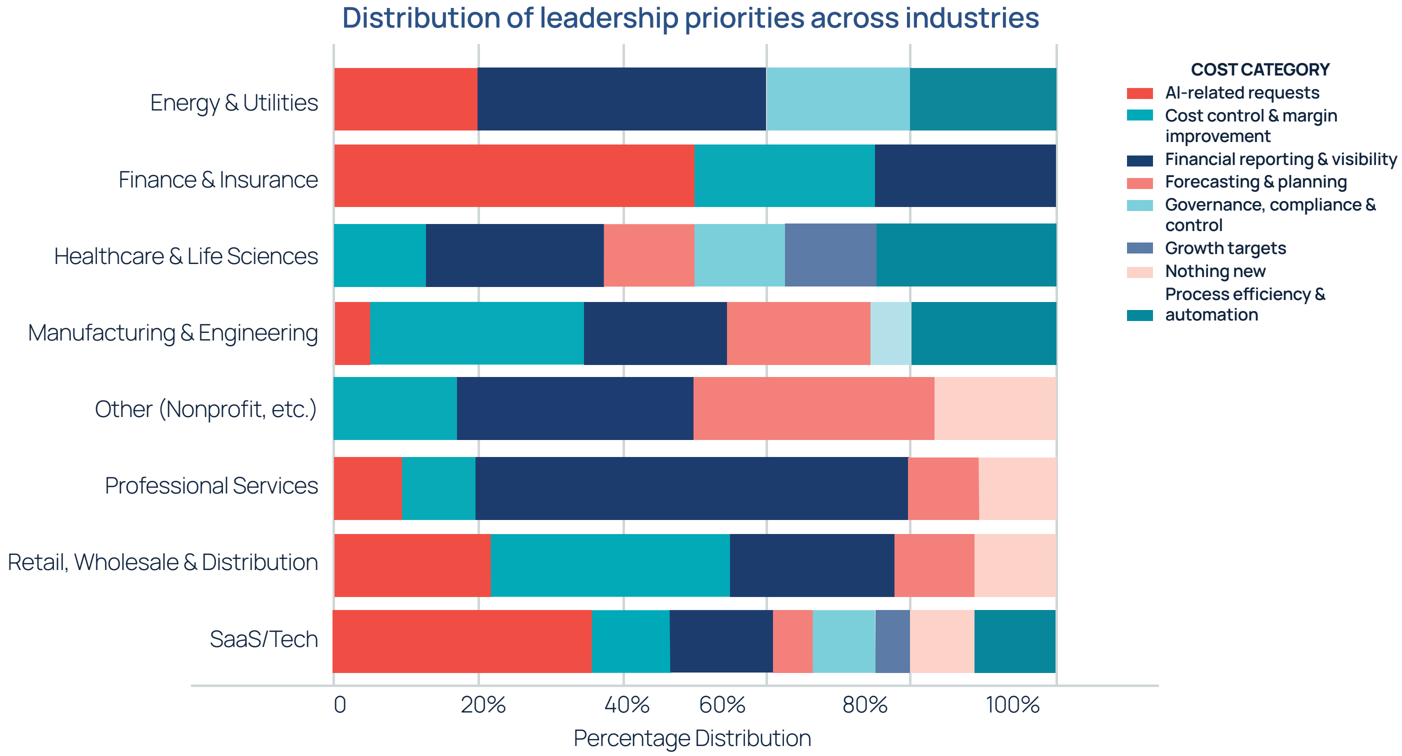
- **Private companies** are focused on forecasting and financial planning

But regardless of backing, the pressure is converging: tighter reporting, clearer performance insights and faster operational tempo – just with different entry points and expectations.



Different industries face different pressures – and their leadership asks reflect those realities.

The data reveals how sector-specific challenges drive leadership priorities. Where margins are thin, cost control dominates. Where client relationships matter, reporting clarity leads. Where scale drives success, AI and automation takes center stage.



Note: These sector-level insights are directional. While SaaS, retail and healthcare had the most responses, others industries featured in this chart reflect smaller sample sizes. We've flagged those where relevant.

SaaS/Tech companies lead the AI charge

36% of SaaS Controllers report AI asks – the highest of any industry. But it's not just about technology adoption. These companies also prioritize financial reporting (14%) and process automation (11%), reflecting the need for scalable infrastructure as they grow. The combination suggests leaders want AI-powered work flows and insights to support rapid scaling.

Retail fights margin pressure

Cost and margin improvement dominates at 33% – the highest rate of any industry. Retail's thin margins and competitive pricing leave little room for error. The secondary focus on AI (22%) and financial reporting (22%) likely reflects pressure to optimize pricing, inventory and customer analytics to protect those margins.

Professional services most focused on reporting

60% name financial reporting as their top priority – by far the most concentrated focus of any sector. This makes sense in a business where client trust depends on transparent, accurate communication. Clean reporting builds credibility for future engagements.

Manufacturing balances multiple pressures

No single ask dominates, with cost control (30%), reporting (20%), automation (20%) and forecasting (20%) all significant. This spread reflects manufacturing's complex operational reality – managing production costs, supply chain volatility, equipment efficiency and cash flow simultaneously.

Healthcare focuses on operational efficiency

Process automation (25%) and financial reporting (25%) tie for the top spot. Healthcare's regulatory environment demands both compliance-ready reporting and streamlined operations to manage rising costs while maintaining care quality.

Finance & Insurance embrace AI

With only four Controllers from this industry, two report AI asks, and the other two noted better forecasting and reporting. This likely reflects the industry's data-rich environment where AI can enhance risk modeling, fraud detection and customer analytics.

Energy & Utilities prioritize visibility

Five Controllers from this industry noted financial reporting at 40%, with AI, automation and governance each at 20%. The focus on reporting aligns with utility regulation requirements and the need for transparent cost allocation across service areas.

Other industries focus on stability

Six Controllers in other industries like nonprofit, travel, real estate selected financial reporting (33%) and forecasting & planning (33%), with smaller attention on margin improvement. One person noted the leadership isn't asking for anything new.

What this means for your finance function

The leadership asks reveal three fundamental shifts happening across industries and company sizes:

- **First, the reporting bar has moved.** Leaders don't just want numbers faster – they want context, variance explanations and actionable insights. The days of delivering spreadsheets and walking away are over.
- **Second, AI pressure is real but uneven**. PE/VC-backed firms and SaaS companies face the most aggressive AI timelines, while other sectors are taking more measured approaches. The key is understanding where your leadership sits on this curve and responding accordingly.
- **Third, cost control isn't going away.** Whether it's retail fighting margin pressure or small companies battling for survival, the demand for tighter financial management spans every sector and size.

The Controllers succeeding in this environment aren't just responding to individual asks – they're anticipating the broader pattern. They're building reporting capabilities that explain performance, not just measure it. They're piloting AI within proven workflows rather than chasing standalone solutions. And they're treating cost control as an ongoing discipline, not a crisis response.

Every proactive step – whether automating reconciliations or moving to PO-first purchasing – reflects an effort to stay ahead of the demands from leadership, which aren't slowing down.

Most Controllers are implementing proactive measures to avoid emergency cost-cutting

The shift is from explain-and-react to anticipate-and-decide.

Controllers aren't waiting for budget pressure to show up – only 12.4% report making no changes to avoid reactive costs later.

The majority (87.6%) are taking proactive approaches: tightening forecasting rhythms, automating more of the close and spend cycle, and building controls that make cost decisions easier before they become urgent.

"We're running rolling forecasts with scenario planning tied to headcount, tooling and infrastructure – so we can see the cost impact of decisions before they hit. It's a good way to avoid reactive cuts."

– Priyanka Falor, Assistant Controller at Emerson Collective

- **Better forecasting and planning is a priority at 21.7% –** Controllers are turning forecasting into an operating rhythm, citing initiatives like rolling reforecasts, longer liquidity windows and best/worst scenario planning to help them adjust before pressure hits.

- **Process efficiency and better systems come in at 19.6%** – Teams are converting ad hoc purchasing to PO-based approvals, standardizing reports and adding FP&A tooling to scale their infrastructures and build better visibility into their cost drivers.

- **Cost control and spend management stays central at 18.6%** – Controllers are implementing vendor reviews, targeted reductions and tighter approvals, plus continuous budget-to-actuals and usage checks.

- **AI adoption shows up 16.5% of responses** – Controllers mention using AI to speed up close and reconciliation timelines, build custom GPTs that answer budget-owner questions and embed automation into ERP systems (for example, GenAI-enhanced invoice processing). One Controller even framed proactive AI adoption as a hedge against volatility – making headcount more productive now so reductions aren't required if sales drop later.

- **12.4% say they're not changing (yet)** – Some report that their costs are already under control – others haven't yet defined their plans.

Proactive planning starts with the right indicators.

We asked Controllers which KPIs actually guide their investment and cost-cutting decisions:

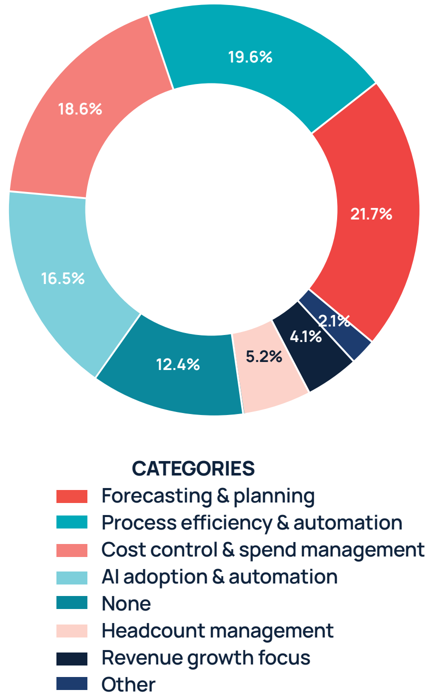
- **Working capital availability** – 49%
- **System ROI or cost-to-output** – 40%
- **Cash conversion cycle** – 33%
- **Margin per head** – 32%
- **Accuracy of scenario forecasts** – 30%

These are strong lagging indicators – they help measure outcomes and guide decisions based on what's already happened.

To get ahead of reactive cuts, pair these with leading indicators too: things like pipeline movement, hiring plans or early spend deviations. These signals flag pressure before it hits the numbers.

The best strategies blend both. Use lagging indicators to validate decisions – and leading ones to make them earlier.

Proactive measures taken by Controllers to avoid reactive cost control



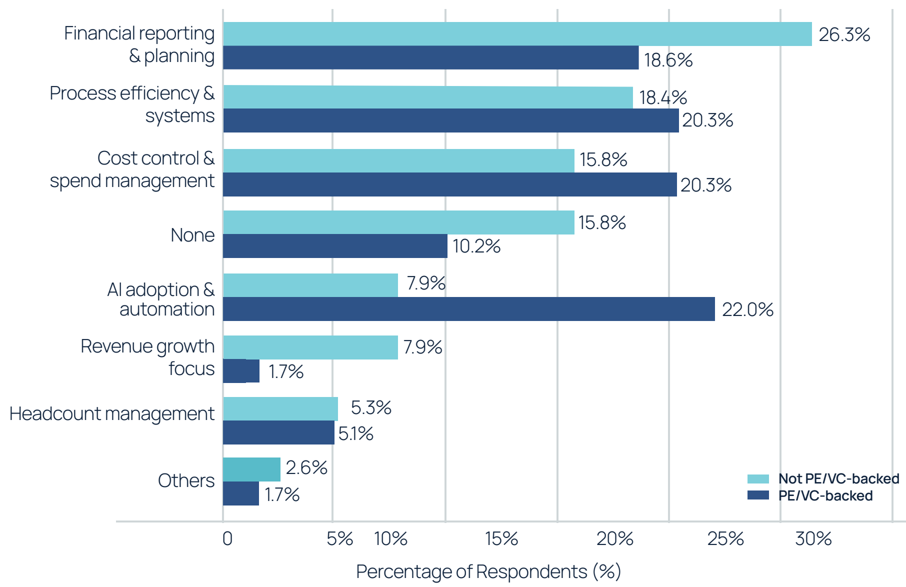
Proactive moves vary by company size

- **Small companies (<$10M)** focus on spend management (50%) – implementing vendor reviews, tightening approvals and cutting discretionary spending now to preserve cash.
- **Early growth companies ($10M-$50M)** balance forecasting improvements with process upgrades (27.6% each), building rolling reforecasts and standardizing workflows to anticipate problems before they hit.
- **Mid-market firms ($51M-$500M)** lead with forecasting enhancements (25.5%) but show concerning complacency with 17% making no proactive changes. AI adoption and cost control tie at 14.9% each, suggesting these companies are balancing multiple approaches.
- **Near-unicorns ($501M-$1B)** go all-in on AI adoption (60%), using automation to handle growth without proportional cost increases, while enterprise companies ($1B+) focus on process efficiency (50%) and AI enhancements (33%) to optimize operations they've already scaled.

Investor-backed Controllers prioritize AI adoption to stay ahead of cost pressures. Private company Controllers focus on better forecasting.

To stay ahead of reactive cost cuts, investor-backed Controllers are adopting AI and AI-enahnced automation at nearly 3x the rate of private companies (22% vs. 7.9%). The goal is to build capacity that can absorb growth or downturns without dramatic staffing changes. This mirrors the leadership pressure we saw earlier in the report – AI-related asks are nearly double those in private companies.

Proactive changes the Controllers are making to prevent reactive cost control, by ownership status



What the data shows

- **Forecasting is the top move for privately owned (26% vs 19%)** – Private companies are investing in cash flow visibility, rolling forecast and scenario planning to stay ahead of cost shocks.
- **AI adoption mentioned more frequently by Controllers in PE/VC-backed firms (22%)** – Controllers in these companies are proactively embedding AI into reconciliation, reporting and approvals as a way to scale without growing teams. Only 7.9% of privately held companies are taking this approach.

Preventing reactive cuts isn't just about AI or automation. It starts with forecasting maturity – then builds toward scale and efficiency.

The Takeaway

- **Both groups are investing in process efficiency to stay ahead of reactive cost decisions** – Around 20% of PE/VC and 18% of teams in private companies cite actions like upgrading tooling, converting to PO-first purchasing or automating month-end close. The emphasis varies – investor-backed teams focus on speed and scale, private companies focus on budget discipline and standardization.
- **Cost control remains a common priority** – 20% of PE/VC-backed teams and 16% of privately owned are tightening contracts, reviewing vendor usage and pulling discretionary levers early – not after the fact.
- **Private companies are more likely to report no proactive changes (16% vs 10%)** – This could reflect resource constraints preventing new initiatives, confidence in existing cost controls, or lack of urgency to implement preventive measures.

What the data suggests

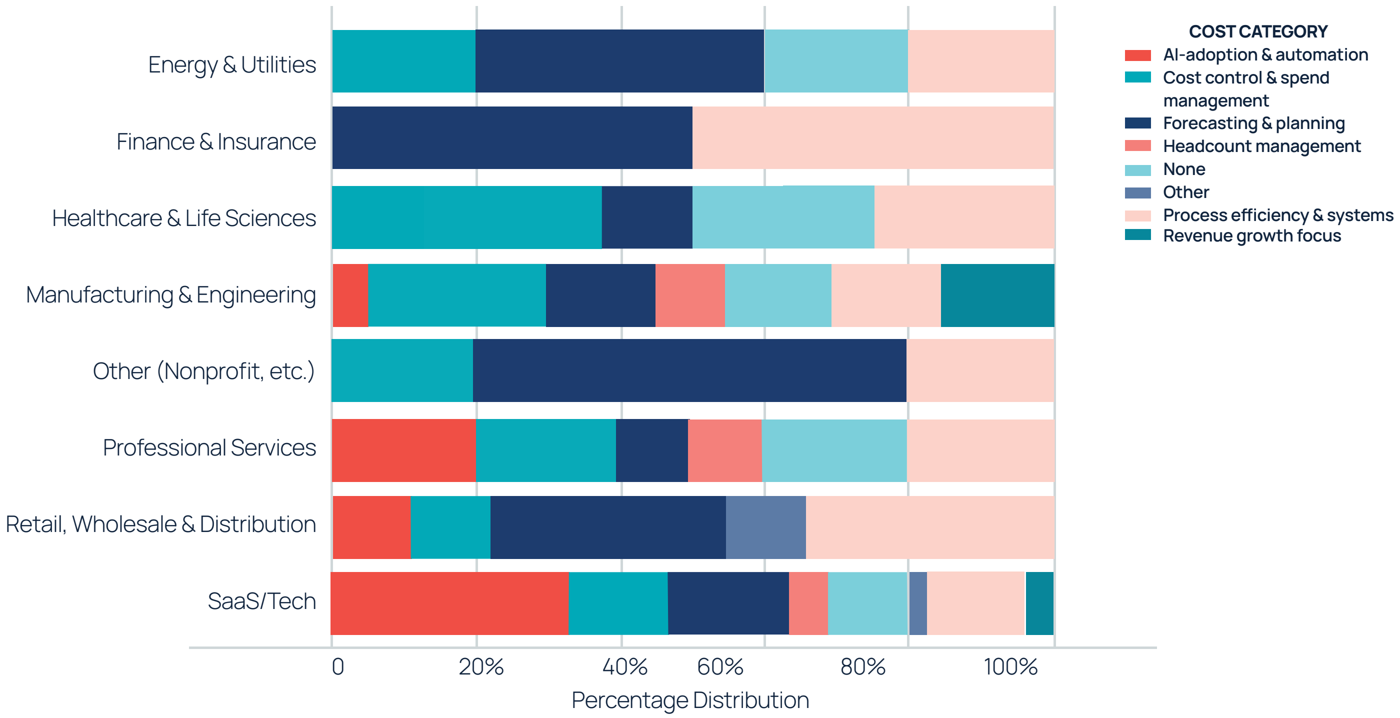
PE/VC-backed Controllers appear to be further along the maturity curve. Their lower emphasis on forecasting improvements suggests they've already built that muscle – and are now turning to automation and AI to scale what's already systematized.

Controllers working in privately owned companies, by contrast, are still laying the groundwork: forecasting and planning are their top priorities, pointing to teams still working to get ahead of surprises. That may also explain why 16% of private companies report no proactive changes – without mature forecasting, they may lack both the visibility to anticipate issues and the resources to act preemptively.

Proactive strategies by industry reveal where Controllers expect pressure tomorrow.

There's a clear throughline in the controller's responses: several industries aren't waiting for budget cuts to be forced on them. They're tightening controls, upgrading systems and testing new tools before they're needed.

Proactive changes the Controllers are making to prevent reactive cost control, by industry



Note: Some industries featured in this chart had as few as four Controllers weigh in – so while patterns are directional and informative, they reflect a snapshot, not a statistically significant read.

SaaS/Tech leads in AI adoption

33% of SaaS/Tech Controllers are implementing AI initiatives – the highest of any sector. One controller note trying to move work onto custom GPTs to cut down the close and reconciliation timelines, and creating GPTs to help budget owners answer questions about the budgets and spend. Forecasting (17%) and cost discipline (14%) follow. With recurring revenue model complexities, these teams are automating to scale without proportional headcount growth.

Retail & Wholesale prioritize planning and process

Forecasting and process improvements tie at 33%, reflecting the dual need to manage seasonal demand swings and tight margins. One controller shared they now spend hours refining forecasts and partnering with departments. Another mentioned launching an ML pipeline to prevent overstock. Cost control appears at 11%, with 11% reporting no changes yet.

Manufacturing spreads efforts across multiple fronts

Cost control leads at 25%, with forecasting and systems each at 15%. One controller shared that forecasts are now required to justify large discretionary purchases. Another said they're conducting detailed H1 reviews with senior leadership and sales. With supply chain instability and equipment costs rising, manufacturers are tightening approval workflows before pressure escalates.

Healthcare targets immediate spend management

37.5% focus on cost control – the highest rate across industries. One controller noted that every dollar now requires manager approval. Process improvements and "no change" each represent 25%, suggesting that some organizations are still in early stages of proactive change. With reimbursement pressures and rising regulatory overhead, many opt for fast action over long-term planning.

Professional Services shows scattered approaches

No single strategy dominates, with AI, systems, cost discipline and inaction tied at 20%. Forecasting and headcount management followed at 10%. One controller noted they're moving to project-level profitability reporting, highlighting how cost visibility varies by engagement. The industry's service-based model means finance strategies are often engagement-specific rather than centralized.

Finance & Insurance splits evenly between forecasting and process efficiency

Among four respondents, half are focused on forecasting, while the other half are investing in systems and process improvements. One controller noted they're building better insights into cost drivers, cost of sales and margins. And while AI showed up strongly in what leaders are asking for, it's absent here – signaling a more cautious, infrastructure-first approach to change.

Energy & Utilities emphasize scenario-based forecasting

With five Controllers in this industry, 40% are focused on improving forecasting and planning. The remaining responses are evenly split across spend control, process changes and no change. One controller emphasized building multi-scenario cost models to anticipate usage fluctuations. With infrastructure-heavy budgets and regulatory scrutiny, these firms are prioritizing visibility over cuts.

Other industries focus on stability

Among other industries like nonprofits, travel, media, hospitality, 60% are focused on forecasting, with the remaining answers split across systems, cost control and inaction. One controller mentioned planning for the next two years; another described building more frequent and longer liquidity forecasts to avoid last-minute cuts. These responses suggest limited resources but high urgency to improve lead time.

Advice from your peers: top moves to avoid reactive cuts

- **Automate the bottlenecks** – Start with month-end: automate reconciliations and close steps. Then stand up AI helpers (like GPT-based agents) to handle routine budget-owner questions and take repetitive tasks off your team's plate. Treat these agents like your interns or digital duplicates of your team – supporting, not replacing.
- **Systematize control points** – Shift to PO-first purchasing with defined spend thresholds and approval workflows – so spend gets reviewed before it happens. Upgrade FP&A tooling (ideally with automation capabilities built in and connected to your main ERP, so you're not manually creating reports and tables in Excel). Then go deeper on cost drivers, cost of sales and margin insights.
- **Forecast to justify spend** – Extend cash-flow forecasting, Build more detailed budget vs forecast plans. Hold regular leadership reviews and consult with department heads – especially where spend is discretionary.
- **Make cost control continuous** – Review vendor terms and platforms usage monthly. Flag tools that are underutilized. Rein in discretionary spend before it spikes – not after.

"Have a plan. Don't try to aimlessly reduce spend. A plan needs to be developed and thought through months in advance. Often there are consequences to cutting spend, and adequate planning can help deter some of the adverse impacts."

– Controller, Energy & Utilities

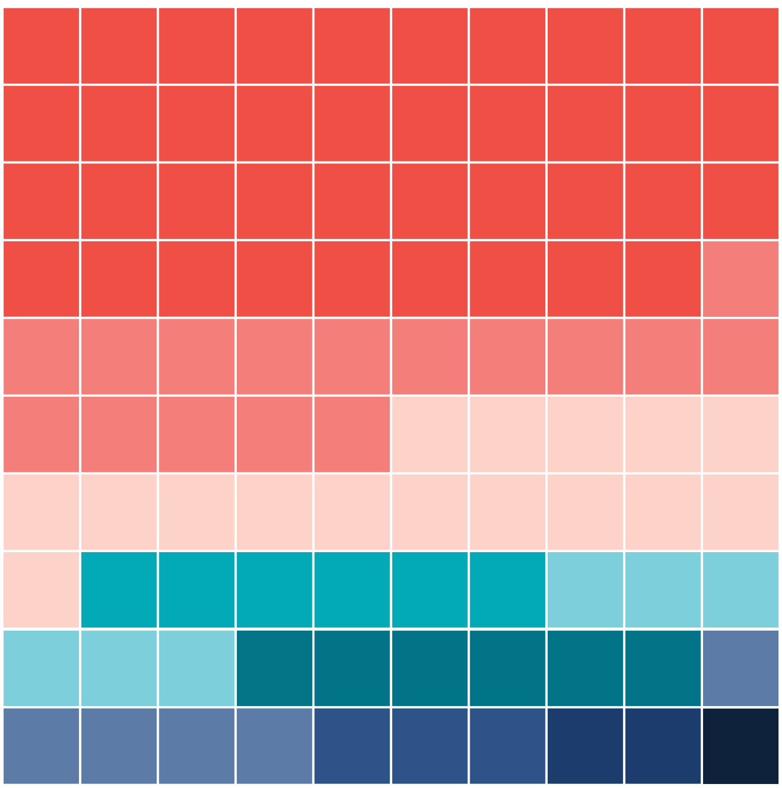
The changes Controllers are making today show how they're staying ahead of immediate pressures – but the real test is what they choose to prioritize next. Looking out over the next 12 months, their plans reveal where cuts will deepen and where investment remains non-negotiable.

Controllers identify where to focus cost control and where to keep spending over the next year

61% of Controllers plan targeted optimizations in the next 12 months.

Some Controllers (39%) have already trimmed the fat – nearly 4 in 10 plan to hold steady. Others are mid-implementation and can't risk disruption. Still, 61% plan to optimize cost areas over the next 12 months, with two top priorities tied at 16% each – ERP/system consolidation and process automation.

Planned cost control by expense category (1 square = 1%)



Something to think about

Planning cuts? We saw earlier that 53% of Controllers regret rushed decisions.

Before deciding where to cut, audit what's actually broken.

A tech stack review often uncovers hidden inefficiencies long before you have to make harder calls on people or core operations.

- **Is your ERP doing the heavy lifting, or is it surrounded by bolt-ons?**
- **Are you still paying for licenses no one touches?**
- **How much time is lost every month to reconciliations, workarounds and tools that don't talk to each other?**

Before the next cost conversation, make sure you're not cutting around the real problem.

- **ERP and system consolidation (16%)** – Too many teams are stuck in what one controller called a "Frankenstein setup": multiple platforms, none working to full potential. The priority now? Consolidation. Migrate everything into the ERP. Merge NetSuite instances post-acquisition. Move subsidiaries off QuickBooks. Integrate what's still disconnected.

- **Manual process automation (16%)** – Controllers are focusing on the same bottlenecks: reconciliations, billing and close. Most want to replace manual Excel work and end-of-month routines with automation. One Controller also mentioned a push to eliminate check printing costs by streamlining outgoing payments.

Mid-tier optimizations show systematic review:

- **Travel and expense system changes (8%)** – Upgrading platforms for better integration and control
- **Software license reduction (7%)** – Cutting unused licenses and consolidating redundant tools
- **Process restructuring (6%)** – Streamlining workflows and reducing manual touchpoints
- **Payroll/HR consolidation (5%)** – Shifting to unified platforms to reduce manual processing

> "We're planning to cut down or consolidate manual Excel tasks during month-end and find automated solutions. There's a lot of manual reconciliations and journals – automating them would free up time and help reduce our close timeline."
>
> **– Australian Controller, Retail/eCommerce**

And while many Controllers are tightening spend, they're not completely freezing it. We also asked: What areas are still getting investment? Here's what stood out:

- **ERP automation and optimization – 71%**
- **AI and machine learning – 45%**
- **Cybersecurity and data protection – 42%**
- **M&A activity – 30%**
- **Compliance and regulatory readiness – 26%**
- **Training and development for finance teams – 26%**
- **IPO or PE/VC readiness – 21%**
- **None – investments are on pause – 10%**

The takeaway?

Controllers are still spending – but with intention. ERP upgrades and automation lead the list, pointing to a continued push for consolidation, speed and simplification. And even in a cost-conscious environment, teams are prioritizing readiness: for audits, security demands and capital events.

Teams in privately owned companies lean into automation. Investor-backed companies are cleaning up tool sprawl.

61% of PE/VC-backed companies plan to cut or consolidate tools, systems or processes in the next 12 months – compared to 59% of privately held ones.

- **Teams in private companies lean toward manual process automation (20%)** – especially around month-end. They're targeting Excel-heavy workflows, reconciliation processes, journal entries, AP, bank reconciliation and document handling. The focus is reclaiming hours from legacy processes that still rely on people stitching together data by hand, not trimming tools.

- **PE/VC-backed companies are more likely to look across categories -** They target ERP/system consolidation (15% – same rate as non-PE/VC peers), manual process automation (12%) and software/license reduction (10%). These efforts often reflect a push to standardize tech stacks post-acquisition or eliminate redundant tools.

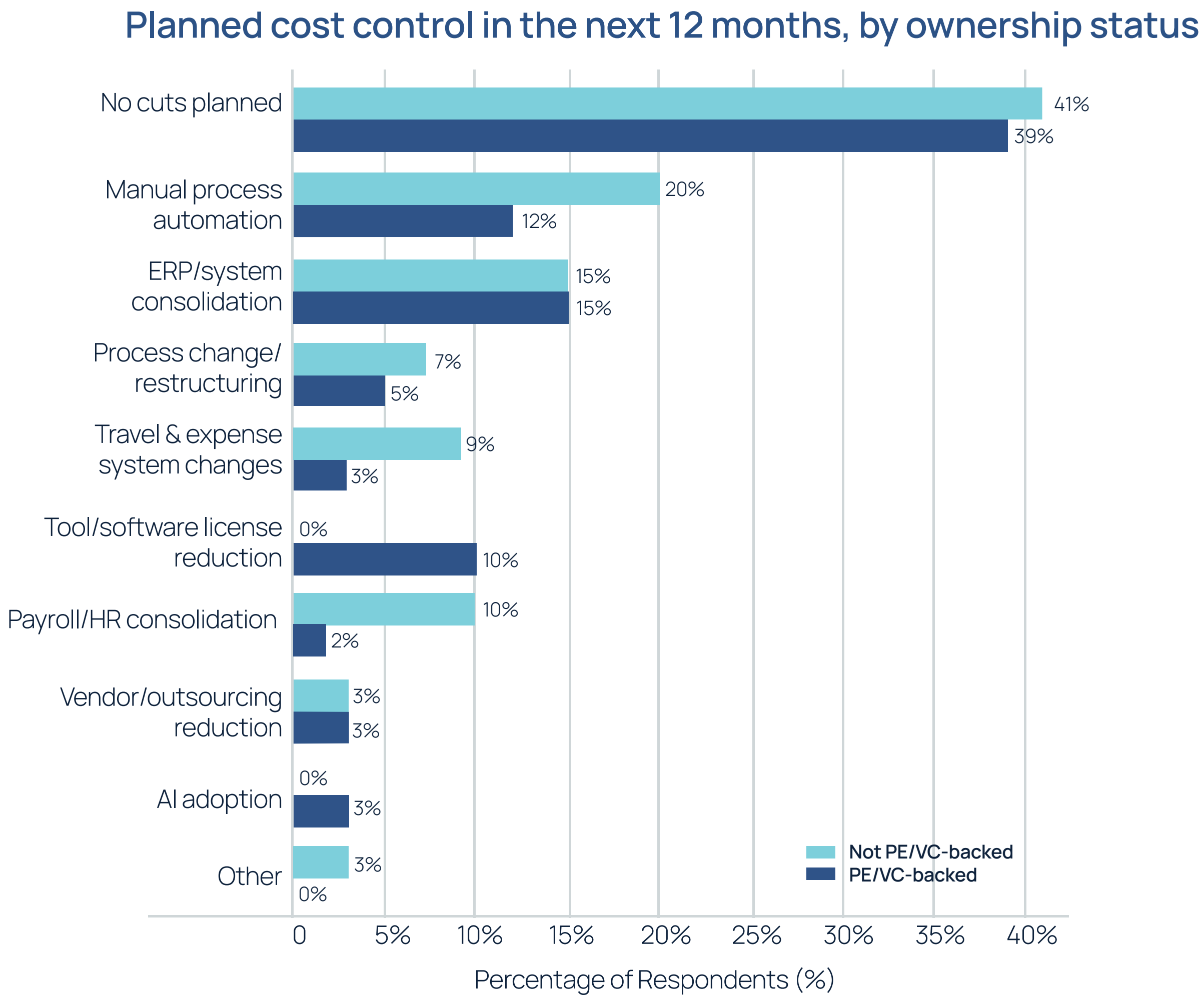
Despite higher expectations for efficiency, **39% of PE/VC-backed firms still plan no cuts – echoing peers in privately held companies (41%).**

The current state of AI adoption among Controllers

Controllers are taking a measured, practical approach to AI adoption – while 20% face leadership pressure for AI initiatives and 45% plan AI and ML investments, only 16.5% are currently implementing AI in any way in their finance processes.

When they do adopt AI, Controllers favor enhancing existing ERP workflows (like AP automation, close processes, reconciliation) rather than replacing their core ERP systems.

PE/VC-backed firms lead at 3x the adoption rate (22% vs 7.9%), suggesting AI adoption correlates with investor pressure for efficiency gains without headcount growth.

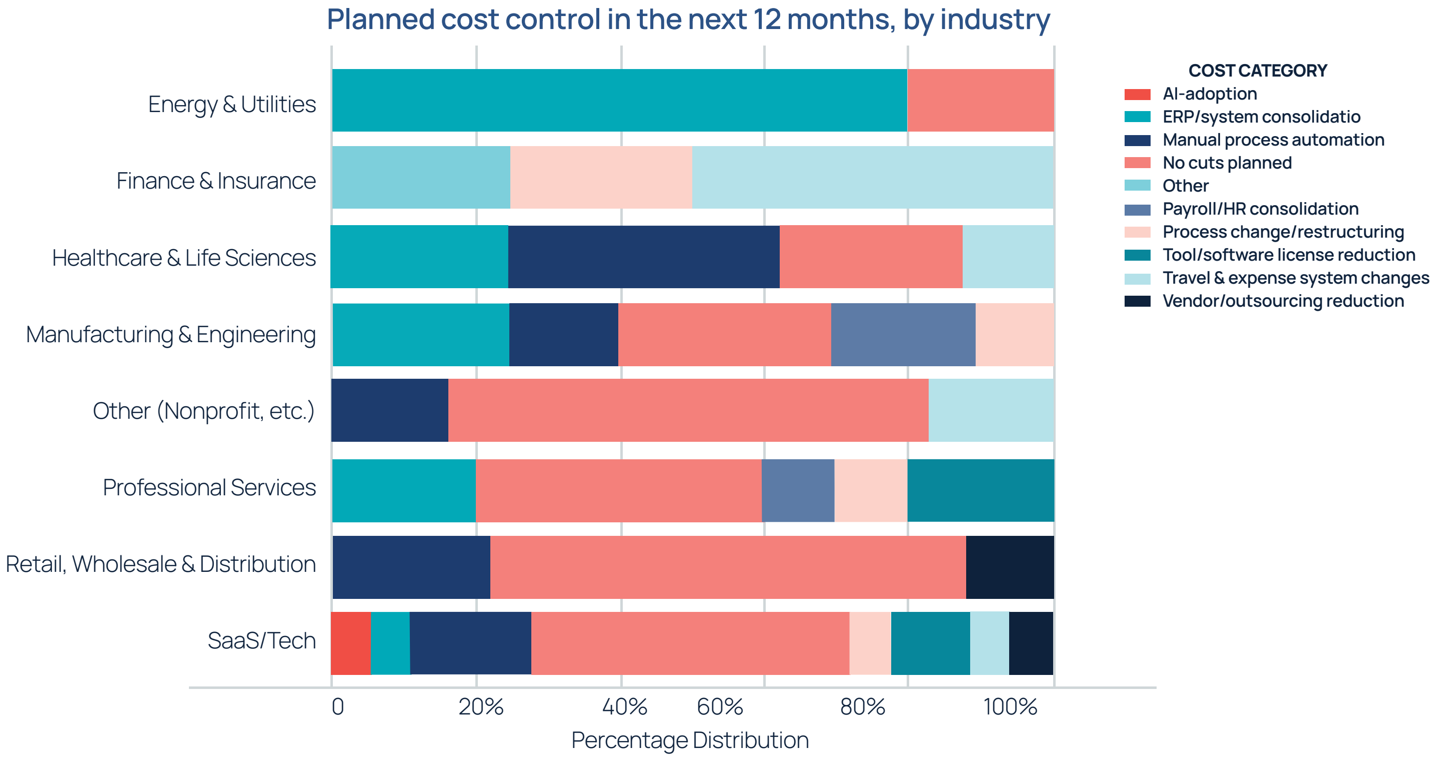


Why? Many are already ahead. As noted in the section on what Controllers are changing today, 87.6% are proactively tightening forecasting, automating close cycles and strengthening cost controls – so when asked what they'll cut next, the answer for many is simply: we already did.

Each industry is cutting where the friction hits hardest.

What gets cut depends on the industry.

Controllers in SaaS are reducing manual friction. Manufacturing teams are consolidating systems and payroll. Retail is simplifying. And some industries, like Energy and Healthcare, are still untangling complexity from years of growth or regulation.



Note: Some industries featured in this chart had only a handful of responses. These patterns offer useful signals, but not definitive benchmarks.

SaaS/Tech reduces manual friction first

Manual process automation leads in SaaS/Tech (17%), with Controllers citing efforts to streamline AP, reconciliation and document handling. Tool/software license reduction is at 11%, pointing to tech stack cleanup in growth-stage environments. Nearly half (44%) report no planned cuts – a signal that proactive automation is already underway.

Manufacturing cuts across multiple fronts

ERP consolidation (25%) and Payroll/HR consolidation (20%) lead the list, with smaller mentions of manual processes (15%) and process change/restructuring (10%). Nearly a third (30%) plan no cuts – reflecting recent system changes or the complexity of manufacturing finance stacks.

Retail & Wholesale prioritize simplification

22% said they plan to eliminate manual processes and cut spend on disparate processes. A few teams also noted interest in cost-saving through vendor rationalization and lowering costs on outsourcing. With thin margins and seasonality, simplicity wins over scale.

Professional Services spread efforts across tooling

ERP consolidation (20%) and license reduction (20%) rank equally. A small number (10%) also cite payroll/HR consolidation and reducing manual touchpoints through restructuring. Project-based operations require flexible, low-friction tooling – not excess overhead.

Healthcare & Life Sciences reduce manual work and systems

The top priorities split between eliminating manual processes (37.5%) and ERP consolidation (25%), followed by T&E (12.5%). High regulatory and admin burden drives a push for efficiency in finance operations.

Energy & Utilities target ERP consolidation hard

With only five responses in this group, 80% cited ERP/system consolidation – the highest rate across all industries. One controller noted that managing multiple platforms post-acquisition has become unsustainable. A smaller subset (20%) reported no cuts.

Finance & Insurance trim T&E the most

Though only four responses came in, 50% plan to cut costs in travel and expense systems. 25% also plan to change processes and restructure. In a cost-sensitive environment, discretionary spend is the first lever pulled.

Other industries focus on staying lean

With six responses spanning nonprofits, travel, real estate, media and hospitality, 66.6% said they planned no cuts – the highest share of any industry. The remaining responses were spread across manual automation (16.7%), and T&E (16.7%).

You've seen the patterns and the pitfalls – now it's time to hear directly from your peers on how to avoid them.

From one Controller to another – here's what your peers want you to know

Controllers are wired to spot risk. It's what makes them good. But when costs need to come down, risk can multiply. Systems get stretched. Visibility gets patchy. Decision-making slows.

So how do you cut costs without cutting control?

We asked Controllers for the best advice they'd give you. What follows is a collection of what they told us – not just what to do, but what to watch out for along the way.

1. Automate what slows you down – but keep a human eye on it

The most common advice? **Automate.**

Not just to reduce headcount or speed things up, but to reduce manual error, consolidate workflows and give your team time back for higher-level work.

- "Automate as much as possible."
- "Use automation tools – they help reduce manual error and accelerate close cycles."
- "Push automation in any aspect, don't rush to hire HC."

Build automation around your team, your workload and your risk appetite – not the other way around.

Quick Tip

But automation isn't foolproof. Several Controllers called out the risks of automating blindly or too quickly.

- "Make sure visibility and audits of automation are available – things will go wrong."
- "Thoroughly research automation and integration solutions."
- "Have plans to automate finance processes when you get to a certain level of volume. Don't wait until it happens and you cannot handle it effectively."

2. Think in systems, not slices

Cutting tools, licenses or point solutions feels efficient in the short term. But if you're not looking at the full picture – how systems connect, where data flows, how people use them – you'll likely add complexity, not reduce it.

- "Don't automatically choose the best-in-class point solution. Sometimes it's more beneficial to have fewer systems, even if overall capability is marginally less."
- "Spend a lot of time thinking about what your ideal target operating model is going to be (as best you can) and build your team and solution architecture around this. Utilise the expertise of procurement, compliance and tech to ensure that you don't build towards something that is not future proofed."
- "Reduce IT stack, it all adds up. Go for ERP that needs the least additions."

Simplify. Consolidate. Build the fewest moving parts possible – and make sure they actually move together.

Quick Tip

"The value of an ERP is that it serves as a single source of truth. Lean into that mindset – learn about the enhancements for your specific ERP and utilize all available functions."

– Aaron Beck, Controller at Saint Cloud Industrial Products, Inc.

3. Stay close to the business

You can't reduce spend in a vacuum. Your business partners often know where the real inefficiencies live – what can be changed, what shouldn't be touched and what might have unintended consequences.

- "Talk with business units on their suggestions. They're close to all of it and will have some ideas you haven't thought of."
- "Engage your cross functional leaders to examine recurring spend. Understand the strategy behind each major investment or project, and thoughtfully provide scenarios for alternate spend and outcomes."
- "Ensure that you have confidence in your Departmental GMs' financial knowledge and decision making abilities that are aligned to the company's goals."

Better decisions start upstream. Talk to the business early to spot risks and opportunities before they hit your reports.

Quick Tip

4. Don't just cut – plan

- "Always have an eye to the medium/long term. While certain short term measures are necessary, it is always best to keep an eye on sustainability."
- "Focus on aligning spend reduction efforts with improved process efficiency and data centralization."

Yes, cuts might be necessary. But if they come at the cost of visibility, accuracy or accountability, they'll cost more than they save.

- "When trying to lower costs, it's tempting to slash tools, headcount, or reporting layers. But those quick cuts reduce our ability to monitor performance."
- "Do not cut spend for the sake of cutting. Ensure an analysis is completed on how workflow will be affected. Ensure you 'manage up'."

If the plan is unclear, your team will fill in the blanks. Usually with fear.

Quick Tip

5. Build accountability – and make it visible

Controllers can't carry the weight alone. And the good news is, you don't have to.

- "Drive a culture of accountability and get your employees to think like an owner."
- "Make people aware and accountable for unnecessary spending."

"One of the most effective steps we took was to make it clear across the organization that we are closely aligned with – and aware of – all financial activities. By setting clear and consistent boundaries around what constitutes acceptable declarations and expenses, we significantly improved cost-conscious behavior."

– Ilse van Vliet, Manager Finance & Control at Solarplaza International

Quick Tip

Clear rules create confident decisions. Set expectations and give budget owners the context they need so finance doesn't have to hover.

6. Don't go it alone

A few responses cut through with refreshing honesty:

- "I think I need this advice!"
- "Reach out to other Controllers for experiences."

This work is complex. You don't need to have all the answers. You just need the right network.

Join communities. Post the question. DM someone who's done it before. Whether it's a Slack group, LinkedIn thread or industry event – find your people.

That's also why we built this report – to help you learn from your peers, see what's working (and what's not) and realize you're not navigating this alone.

There's no one right answer. But there's plenty of shared experience to draw from.

Closing thoughts: Where you go from here

Cost optimization will never be "done."

It's a cycle that will intensify as 2025 and beyond bring new investor demands, tighter profitability targets and another wave of tech-driven change. The question is whether those pressures drive reactive cuts – or deliberate decisions that strengthen the business long-term.

Based on what we've heard from your peers, here are steps Controllers can take now:

- **Audit your decision process:** If decision frameworks are rare but regrets are common, where can you bring more structure? Map how cost decisions are made today. Identify where instinct has replaced structure and add simple mechanisms – such as scoring models or scenario planning – to reduce exposure to regret.
- **Expand your circle:** List the stakeholders you consistently involve and compare it to the functions most impacted by cuts. If HR, IT or GTM aren't engaged early, you may be missing critical signals about risks and down stream effects.
- **Treat automation and AI as a risk buffer:** Look for repetitive, error-prone workflows where ERP automation or AI agents can take ownership. Position these initiatives as insurance against reversals and leadership pushback, not only as efficiency plays.
- **Separate the sacred from the strategic:** Revisit categories long considered "untouchable." Break them into compliance-driven, business-critical and discretionary buckets. This exercise often reveals space for targeted cuts that don't destabilize operations.
- **Build your narrative now:** Anticipate the next board or CFO request by drafting a clear story of what you would cut, protect or invest in – with supporting benchmarks and peer data. Controllers who walk into the conversation prepared set the tone for everyone else.

You may not be able to remove the tension between profitability and growth, but you can control how you show up when the next round of decisions arrives.

The question is whether you'll be reacting to pressure – or leading with a plan. Good luck!

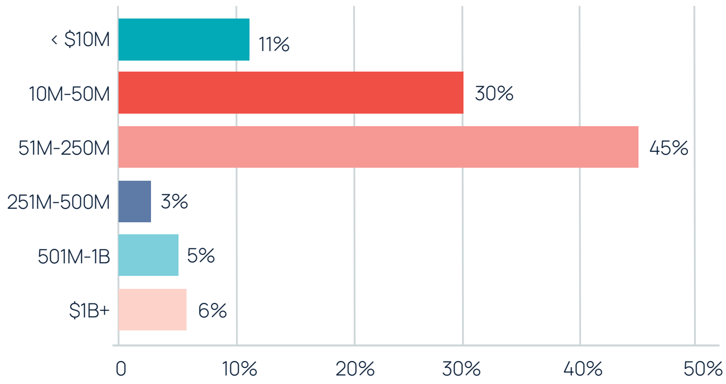
Appendix – Survey demographics

We surveyed 100 controllers and finance leaders with controller-level responsibilities across industries, regions and ownership structures. Most respondents came from mid-market companies, with SaaS/Tech as the leading industry segment.

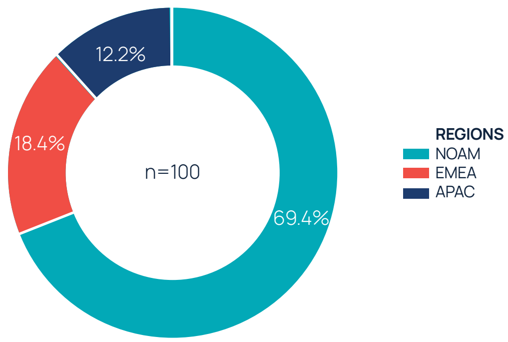
Roles represented:

- 85% Controllers (including Assistant, Corporate and Group Controllers)
- 7% Finance Directors with controller-level responsibilities
- 4% Directors of Accounting with controller-level responsibilities
- 3% Heads of Accounting with controller-level responsibilities
- 1% Chief Accounting Officers with controller-level responsibilities

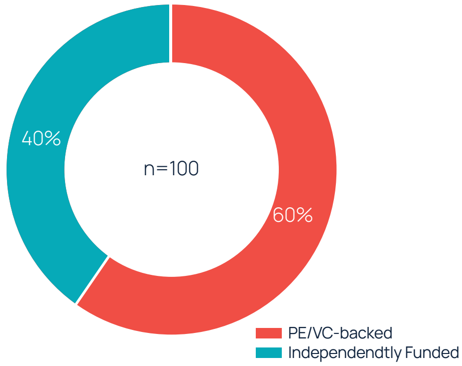
Respondesnts by company size (revenue)



Regional distribution of respondents



Respondents by ownership structure



Respondents by industry