



## EXECUTIVE INSIGHTS

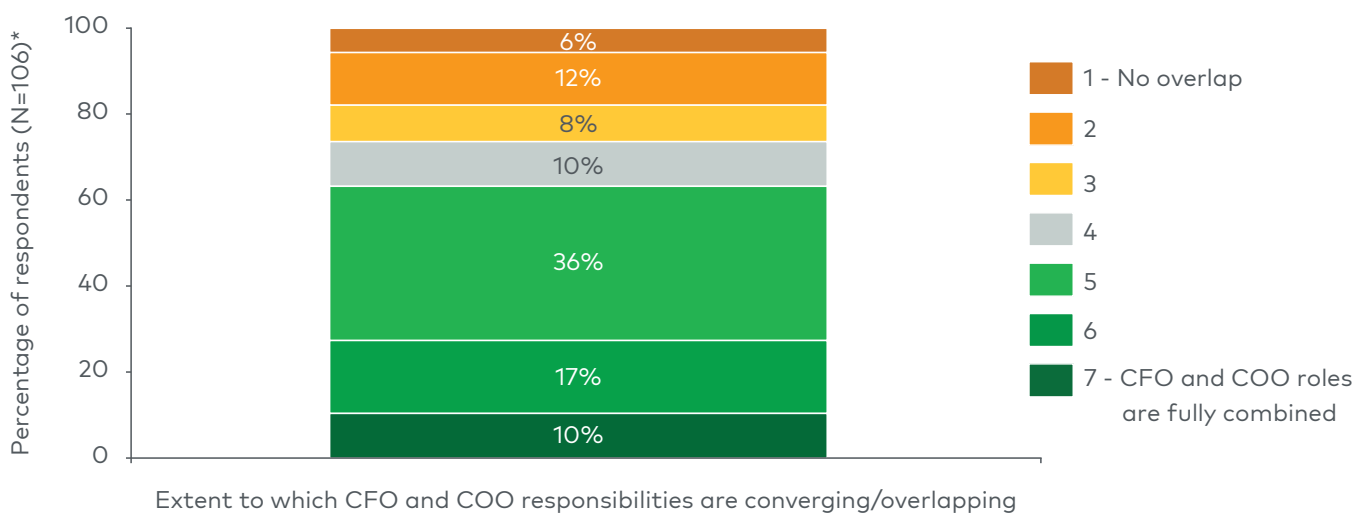
# What CFO-COO Alignment Means for Leaders and Investors

The C-suite is being reshaped. As margin pressure intensifies and decision cycles shorten, companies are aligning financial and operational leadership more closely. In many organizations, this means finance and operations are working in lockstep, and in some cases, the roles are formally combined.

According to L.E.K. Consulting's 2025 Office of the CFO Survey of over 100 chief financial officers (CFOs) across multiple industries, nearly two-thirds say their responsibilities now overlap with the chief operations officer (COO) role. In about 10% of companies, the positions are fully merged (see Figure 1).

**Figure 1**

Responsibilities of the CFO and COO are converging and overlapping



\*Survey question: To what extent are the responsibilities of the CFO and COO roles converging or overlapping in your organization?  
Source: L.E.K. research, interviews and analysis

To gauge the depth of this shift, L.E.K.'s Financial Services team spoke with CFOs and COOs across industries. Paired with our survey, these conversations highlight how finance and operations are becoming more closely linked.

In this *Executive Insights*, we explore what's driving this closer alignment, how companies are adapting, and the implications for solution providers, investors and finance leaders.

## The role is already evolving

The CFO of a home goods manufacturer shared with us, "Back in 2021, we eliminated the COO role and I assumed most of the responsibility." Major enterprises are making similar moves:

- **Qualcomm** named Akash Palkhiwala as chief financial officer and chief operating officer in January 2024, citing the need for unified leadership to support long-term growth and execution.<sup>1</sup>
- **PayPal** formally merged its financial and operational leadership in early 2025, naming CFO Jamie Miller as chief financial and operating officer.<sup>2</sup>
- **Salesforce** followed soon after, appointing board member Robin Washington as president and chief operating and financial officer, effective in March 2025.<sup>3</sup>

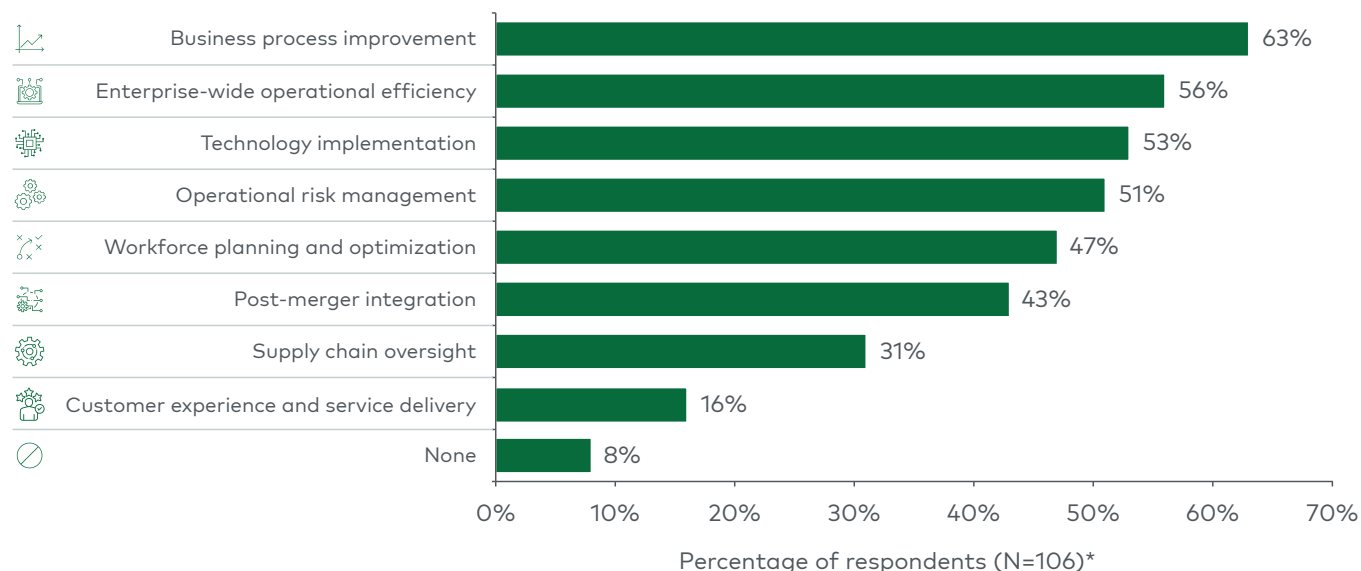
The structural merger of roles is more common in large enterprises, but smaller companies have long blurred the lines between finance and operations. In all cases, the imperative is the same: tighter alignment, greater efficiency and clearer accountability. Research supports the benefits. A 16-year study of more than 3,500 companies found that CFOs who take on operational responsibilities improve reporting quality without hurting performance.<sup>4</sup>

## What CFOs are now taking on

According to our survey, the most common operational responsibilities now overseen by finance leaders include business process improvement, enterprisewide efficiency and technology implementation. These areas have historically sat with the COO but are increasingly being managed by CFOs as finance and operations become more interconnected (see Figure 2).

Figure 2

CFOs are increasingly taking on traditional COO responsibilities



\*Survey question: In which of the following areas have COO responsibilities expanded into CFO roles?

Source: L.E.K. research, interviews and analysis

Rising expectations are pushing finance leaders to deliver results across the business, especially in high-growth or efficiency-driven environments. More and more, CFOs are being asked to lead not only financial strategy but also technology choices and cross-functional execution.

### Capital velocity and the case for convergence

As liquidity tightens and efficiency expectations rise, companies face growing pressure to make faster, more precise decisions. The result is a “capital velocity loop” where financial stewardship and operational execution reinforce each other.

Several forces are behind this loop:

- **Efficiency demands are intensifying.** With rising rates and compressed margins, capital tied up in inventory, receivables or idle assets erodes value and limits agility.
- **Unified leadership eliminates friction.** When the same executive oversees both treasury and operations, decisions around capex, safety stock and supplier terms can be evaluated against funding costs in real time without slow cross-functional negotiation.
- **Working capital becomes a growth engine.** Reducing the cash conversion cycle unlocks internal liquidity that can be reinvested into growth, debt reduction or shareholder returns.

One CFO explained, "It's critical to see what the financial cost or opportunity is. Having a combined role increases the speed of decision-making where instead of having two heads coming together, you have one person with purview of both sides."

Whether managed by a single executive or by two tightly aligned leaders, bringing financial and operational levers together enables companies to respond more quickly, allocate capital more effectively and drive continuous improvement.

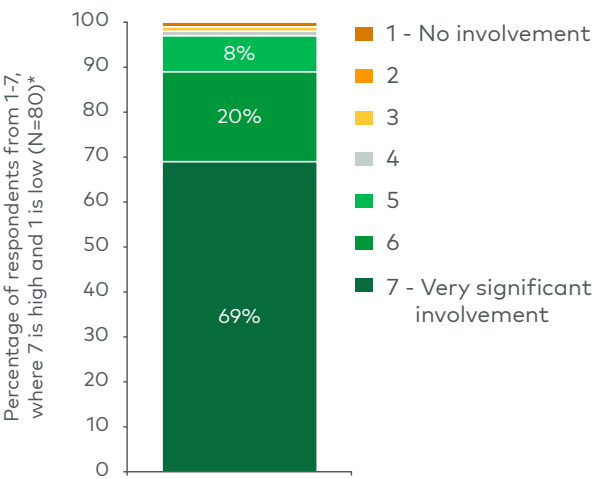
Technology strategy in transition

As CFOs assume broader operational responsibilities, their role in technology strategy is growing. In our 2024 survey, 69% reported active involvement in shaping the tech roadmap (see Figure 3).<sup>5</sup> Data analytics (or business intelligence) topped the list of high-impact technologies, cited by 81% of CFOs, well ahead of AI and cloud computing, each named by about half. The results point to a clear demand for tools that unify financial and operational data.

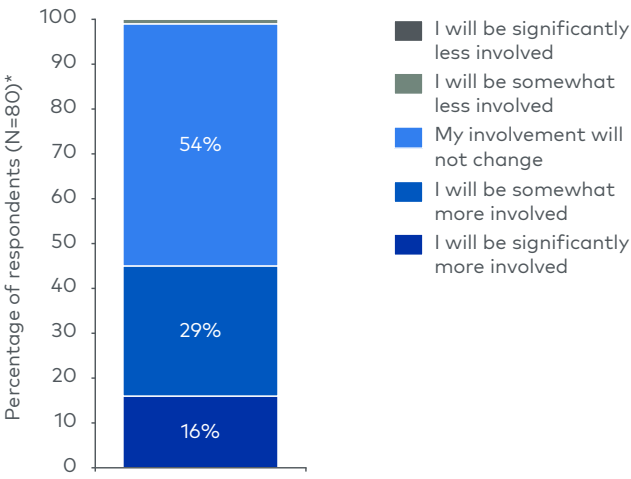
Figure 3

CFOs report high involvement in technology strategy, reinforcing their growing role in operational and digital leadership

Level of involvement in technology strategy currently (2024)



Level of involvement in technology strategy going forward (2024)



\*Survey questions: How involved are you in your organization's technology strategy within the finance/accounting function? (Please use a scale of 1 to 7, where 1 means "no involvement" and 7 means "very significant involvement.") How do you expect your involvement in your organization's technology strategy within the finance/accounting function will change in 2024?

Note: Chief financial officers (CFOs) are highly involved in technology strategy within finance and accounting

Source: L.E.K. survey, research and analysis

Many CFOs describe this shift as both intuitive and practical. "CFOs touch almost every system in the organization. ERP, CRM, FP&A, payroll all roll up through finance," one former CFO noted. Another added, "Data used to be hard to find, so most resources went into gathering and validating it. Now the focus is on understanding what the data means."

Advancements in Office of the CFO tools are powering this shift, integrating financial and operational data into a single view. Finance leaders are using these systems as command centers for decision-making, extending their influence across operations, HR, supply chain and customer experience.

### **Implications for CFOs, solution providers and investors**

As finance takes on more operational responsibility, companies are rethinking their enterprise systems. CFOs now wield greater influence over technology choices and performance priorities, creating opportunities not only for themselves but also for solution providers and investors.

#### **For solution providers:**

- Platforms that integrate financial and operational data, especially those that improve working capital efficiency and enable real-time decisions, are gaining in importance.
- Solutions that promote cross-functional alignment and faster execution are increasingly valuable in helping leaders translate insights into action.

#### **For investors:**

- Companies where CFOs oversee operations may be better positioned to manage capital pressures and drive internal alignment.
- This integration can lead to stronger execution, more disciplined resource allocation and higher returns on invested capital.

#### **For CFOs, closer alignment is reshaping the agenda:**

- Developing fluency in end-to-end value streams, not just profit and loss, and encouraging talent movement between finance and operations
- Exploring Finance-Ops "pods" embedded in functions such as manufacturing, logistics and customer experience, supported by shared key performance indicators

- Evaluating digital stack priorities such as AI-augmented scenario planning and continuous close and predictive supply analytics while phasing out legacy tools
- Shaping the CFO's leadership brand as storyteller-in-chief for both capital markets and the shop floor

Executives already holding dual CFO-COO roles confirm how this model plays out day to day. At a recent Fortune COO summit, Hasbro's Gina Goetter noted that every operational choice ties back to a financial one, making the combination feel natural. Block's Amrita Ahuja added that aligning finance and operations supports coordination across legal, people and policy teams while keeping the company responsive.<sup>6</sup>

## What comes next

The CFO role is moving beyond financial stewardship into broader strategic and operational leadership. Organizations, tools and services that enable integrated decision-making will define the next wave of enterprise performance.

L.E.K.'s **Financial Services team** helps CFOs, investors and enterprise leaders navigate this shift. We bring deep expertise across the Office of the CFO stack, vertical software as a service, enterprise resource planning, spend management and services models to uncover growth opportunities, support transactions and improve execution.

To explore how Finance-Ops alignment is creating value in enterprise software and financial services, **contact our team**.

Stay tuned for additional in-depth results from L.E.K.'s 2025 Office of the CFO Survey.

## Endnotes

<sup>1</sup>Qualcomm, "Qualcomm Appoints Akash Palkhiwala as Chief Financial Officer and Chief Operating Officer," 23 January 2024, <https://www.qualcomm.com/news/releases/2024/01/qualcomm-appoints-akash-palkhiwala-as-chief-financial-officer-an>.

<sup>2</sup>PayPal, "PayPal Names Jamie Miller as Chief Financial Officer," 1 November 2023, <https://about.pypl.com/news-details/2023/PayPal-Names-Jamie-Miller-as-Chief-Financial-Officer/default.aspx>.

<sup>3</sup>Investor's Business Daily, "Salesforce Names Board Member As Software Maker's New CFO And COO," 6 February 2025, <https://www.investors.com/news/technology/salesforce-stock-board-member-washington-named-cfo-coo/>.

<sup>4</sup>Journal of Management Accounting Research, "Are CFOs Effective Operators? An Empirical Analysis of CFO/COO Duality," Summer 2019, <https://aaahq.org/portals/0/newsroom/are-cfos-effective-operators.pdf>.

<sup>5</sup>L.E.K. Consulting, "L.E.K. Consulting's 2024 Office of the CFO Survey," 16 September 2024, <https://www.lek.com/insights/tmt/us/ei/lek-consultings-2024-office-cfo-survey>.

<sup>6</sup>Fortune, "How top execs at Hasbro and Block find balance in a dual CFO-COO role," 12 June 2025, <https://fortune.com/2025/06/12/top-executives-hasbro-and-block-balance-dual-cfo-coo-role/>

## About the Authors



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Gigi Wong is a Managing Director and Partner in L.E.K. Consulting's San Francisco office and a leader in the TMT and Financial Services, Media and Telecom and Financial Services practices. Gigi has experience in strategy and due diligence engagements for financial services and technology businesses in accounting/OCFO, insurance, payments, banking, wealth management and others. Her expertise includes growth strategy, market assessments, operating model design, organizational structure, competitive intelligence assessment and new vertical market identification.



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## About L.E.K. Consulting

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