



LOG OFF | CHANGE USER | MY ACCOUNT |

The 9th Central & Eastern European Forum
Competing in a New Europe

Free Trial

search

September 2003

Moving on...

Wanted: Safe pair of hands with broad experience to run finance

Recruitment consultants hire CFOs whether the market is up or down. What can they tell us about corporate needs in today's environment?

CFOs, like all things in life, come in a variety of shapes and sizes ranging from the young, dynamic finance chief, bursting with ideas for top-line growth to the ageing professional offering assured - if undramatic - stability. But which one do you hire? Well, that all depends on the corporate fashion of the day.

The dotcom boom attracted the dynamic young buck, while the economic downturn that followed its bust attracted a more steady, if conservative, pair of hands. But, the season for these CFOs is changing. The economic outlook is steady and the aftershock of corporate scandal is now less a tsunami and more of a ripple across the corporate pond - and, chameleon like, the CFO will have to adapt to the latest cultural change. So what are corporates looking for in their CFOs now?

Jeremy Rickman of Russell Reynolds Associates, a recruitment consultant, is in little doubt. "Today the emphasis is on rigour and strong cost control. Individuals who have come up through the classic accountancy roles are in demand. They understand how balance-sheets are put together, the differences between profit and cash and what tight controls are."

Peter Crist, CEO of Crist Associates agrees: "The pendulum is swinging back to operational and financial skills, whereas ten years ago Wall Street experience was the primary concern." In other words, in an environment where CFOs are under the corporate governance spotlight 24/7, corporates are looking for a safe pair of hands. Take Martin Baumann's appointment at Freddie Mac, for instance. (See moves section in the July/August edition of CF). He was hired on the strength of his experience in dealing with large financial institutions and of dealing with internal accounting.

"CFOs are under a great deal of pressure from all sides," says Penny Wood, a senior client partner in the financial services practice at Korn/Ferry. "Not only is there so much coming through in terms of the regulatory controls and corporate governance, but shareholders and investors too are making greater demands on the CFO to be more transparent in his reporting." But, warns Wood, corporates have to strike a balance when looking for a new CFO. "The onus is on the CFO to perform in terms of the numbers, but corporates still need someone who can interpret the information in terms of the business. They want someone who is less of a policeman, and more of a businessman."

Peter Crist, CEO of Crist Associates agrees: "The traditional pyramid structure of CEO, CFO and COO is becoming obsolete with the CFO assuming greater responsibility for corporate strategy. The COO position is vanishing," says Crist. "These days it is the CEO and CFO who are running the company."

CFO checklist: Have you got what it takes?

- o Management Skills
- o International Capabilities
- o Strategic Abilities

- o Commercial Abilities

Experience of:

- o IPOs

- o IR

- o M&A

- o Tax

- o Financing and Treasury

Treasurer prospects

Given that many treasurers aspire to the CFO position, the changing trends in CFO recruitment will have repercussions for them too. Jeremy Rickman, of Russell Reynolds Associates, has been asked to find a treasurer to fill a CFO position at a large, publicly-listed company. But he's had some difficulty finding the perfect fit. "It's been extremely difficult finding a treasurer with a financial control background. They either don't have the financial background early enough in their career, or they don't have the rounded financial skills CFOs require." To be a CFO candidate, a broad financial background is crucial, says Rickman: "In the future, treasurers will need to have a better perspective of a company's long-term strategy, and closer relations with the investment community."



Advanced Search

<p>Keyword(s)</p> <input type="text"/>	<p>Category</p> <p>-- All -- </p>	<p>submit</p>
<p>Search method:</p> <ul style="list-style-type: none"> <input type="checkbox"/> All words <input type="checkbox"/> Any words <input type="checkbox"/> Exact phrase 	<p>Period:</p> <ul style="list-style-type: none"> <input type="checkbox"/> All <input type="checkbox"/> Previous Three Months <input type="checkbox"/> Previous Six Months <input type="checkbox"/> One Year <input type="checkbox"/> Specify Date Range 	
<p>Order by:</p> <ul style="list-style-type: none"> <input type="checkbox"/> Relevance <input type="checkbox"/> Date - newest first <input type="checkbox"/> Date - oldest first 	<p>From: <input type="text" value="12"/> <input type="text" value="November"/> <input type="text" value="2003"/> </p> <p>To: <input type="text" value="12"/> <input type="text" value="December"/> <input type="text" value="2003"/> </p>	

Please read our **Terms and Conditions** before using the site.

All material subject to strictly enforced copyright laws. © 2003 Euromoney Institutional Investor PLC.