

# BEYOND THE NUMBERS: THE EVOLVING LEADERSHIP ROLE OF THE CFO

**GLOBALIZATION**  
**ADVANCES IN TECHNOLOGY**  
**FINDING AND KEEPING THE BEST PEOPLE**  
**INCREASING PRESSURE TO BE MORE COMPETITIVE**  
**INCREASING BOARD GOVERNANCE OVERSIGHT REQUIREMENTS**  
**INCREASING PUBLIC SCRUTINY/DEMAND FOR TRANSPARENCY**  
**INCREASING COMPLEXITY OF BUSINESS ENVIRONMENTS**  
**INCREASING REGULATORY REQUIREMENTS**  
**INCREASING CUSTOMER DEMANDS**  
**MERGERS AND**  
**ACQUISITIONS**

## ACKNOWLEDGEMENTS

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A handwritten signature in black ink, appearing to read 'Christian Bellavance', with a stylized flourish at the end.

Christian Bellavance  
Vice President, Research and Communications  
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## EXECUTIVE SUMMARY

The role of the Canadian CFO is evolving. Gone are the days when the CFO was merely the individual providing accounting expertise to the management team. Today's CFOs are expected to transcend their financial responsibilities by providing strategic business advice to drive strategy and execution to the CEOs and boards they serve.

In order to fulfil this new, more strategic role, CFOs will need to broaden their skill set in order to continue to add value to their organizations. This broadening of skills and capabilities is critical as many CFOs aspire to move to a CEO role. But to jump from scorekeeper to captain is not always a natural progression. Finance executives must demonstrate that they have acquired a sufficiently broad skill set to make the transition from technical expert to a client-facing executive leader. Those financial executives who do succeed in securing the position of CFO, or even CEO, do so using specific strategies, whether consciously or not. Once they have arrived, CFOs who rise to the top must also have the survival skills needed – beyond financial expertise – to remain there by gaining respect outside the finance department.

Finance executives who set their sights on being a future CFO need to understand how this role is changing. What are the current expectations of CFOs? What forces are causing these expectations to evolve? They also need to understand the implications these changes will have upon future CFOs' scope of responsibilities, and the specific skills and capabilities which will be required to meet the emerging expectations of their peers, CEOs and the board.

**“ CFOs need to have razor-sharp decision-making skills – a decision made a week too late on a new issue of shares could cost the company millions. Knowing when to go and being confident around decision-making is key. ”**

**David O'Brien – former President & CEO,  
Toronto Hydro**

## EXECUTIVE SUMMARY

This research study attempts to provide answers to these important questions. More specifically, this study seeks to determine the key traits, skills and characteristics of the CFO who has moved beyond the controller, treasurer and financial reporting functions to the value-added position of strategic player. This study also seeks to explore the main challenges a CFO will encounter in attempting to meet the evolving expectations of the role.

## KEY FINDINGS OF THE STUDY

### THE CURRENT ROLE OF THE CFO

There was general consensus that while CFOs today oversee a wide variety of financial responsibilities including accounting, financial analysis and reporting, as well as budgeting and forecasting, the most important aspect of their role is to support executive decision making.

CFOs play a more strategic than technical role when they help their peers, the CEO and the board better understand the economic model of their businesses, interpret financial data to highlight key trends and their implications, and validate key business opportunities. In order for the CFO to be a strategic leader and advisor to the CEO and their peers, they require three key capabilities. They need to be able to:

- **Interpret and anticipate:** Gathering and validating financial information is no longer enough. CFOs must now interpret and summarize large amounts of data, highlight key insights, anticipate trends and their implications.
- **Be an objective advocate:** CFOs need to find a balance between being a critic and an advocate in helping the executive team objectively evaluate growth initiatives and manage risk and opportunities.
- **Understand the business beyond the numbers:** CFOs need to develop a strong understanding of the organization's operations, key markets and customers and generally understand how the company makes money. This last ability is essential in order to successfully achieve the first two.

## KEY FINDINGS OF THE STUDY

In order to successfully develop these skills, CFOs need to demonstrate strong leadership skills:

- The ability to simplify and communicate complex issues for a cross section of audiences including, the board, the executive team and the investors.
- The need to demonstrate a high level of integrity in order to earn the trust of their peers, of the CEO and of the board.
- The ability to be strong relationship builders throughout the organization so they can effectively understand the operations of their companies and support strategy execution.
- The need to invest in growing the capabilities of their finance teams.

## FORCES IMPACTING THE FUTURE ROLE OF THE CFO

The study highlighted several key external forces that are collectively acting to drive the evolving role of the CFO from where it stands today to where it needs to be in the future. These forces include:

- The growing complexity and competitiveness of business environments (for instance, globalization and the increasing use of strategic partnerships).
- The increasing compliance issues regarding governance and regulatory requirements.
- The necessity of finding and retaining the best talent.

These forces are causing the role and capabilities of the CFO to evolve in the following three ways:

- CFOs will need to improve their knowledge in the areas of risk management and corporate governance, while continuing to support executive team decision making. An increasing challenge for CFOs is to maintain the strategic role they play in supporting the business, while dealing with more and more compliance and regulation requirements, such as Sarbanes Oxley and the adoption of IFRS.
- CFOs will need to have a better understanding of global markets and the financial implications of doing business across borders. Given the emergence of more complex business structures (joint ventures, mergers and acquisitions,

“ Succession planning is extremely important. You want to train people to do the work that you’re doing. I’m currently in the role of acting CAO so I do have an acting CFO and it’s been really cool. She’s great. She’s challenging me and saying, “Why are you doing this? It’s really neat going through that whole process.” ”

**Michael Ruta – Acting CAO, City of Winnipeg**



strategic partnerships, etc.), CFOs will need to build strong working relationships with partners and external stakeholders. This will require strong influencing and negotiation skills.

- The expanding scope and complexity of the CFO's role will require the need for larger, more specialized financial teams. As a result, CFOs will need to enhance their leadership skills to create better team effectiveness, particularly translating strategic direction into clear organization and team goals, establishing a vision and strategy that creates enterprise value, and helping team members build an enterprise wide perspective. The latter will be critical in order to enhance the finance team's understanding of the business.

Given the evolving role of the CFO described above, there are three important actions that CFOs and aspiring CFOs should consider in order to successfully fulfill their stakeholder expectations for the CFO role in the future:

- Upgrade the talent within their teams so that they can delegate more of the traditional responsibilities of the CFO, in order to focus more than ever on supporting executive team decision making and strategic planning. Outsourcing of non-value added financial tasks may also be an option.
- Spend more time with customers and get more familiar with operations to achieve broader understanding of the business for greater strategic perspective and to infuse a greater appreciation for financial considerations throughout the organization. Consider taking on a business development or account management role for one key customer, or lead an enterprise-wide project.
- Spend time with business unit leaders/COOs to develop strategies together.

## IMPLICATIONS OF THIS STUDY

The findings of this study reveal some valuable insights in terms of understanding the current role of today's CFO, the forces that impact the future role and what CFOs need to do in order to enable their roles to evolve.

These findings will also have important implications to finance executives, organizations and the accounting profession:

- The findings are an important starting point for CFOs and other finance executives to engage in a dialogue on how they must work together to collectively evolve their roles so they can add greater value to their organizations.
- CFOs can use the insights from this study to assess their current roles and what they can do to bring greater value at a personal level, especially for those who aspire to a CEO position.
- The findings provide CFOs with a potential framework that will guide how they build and develop their finance teams.
- The insights from this study can be used by aspiring financial executives as a potential career development road map to start building the skills and capabilities required for the future.
- CEOs and boards will find the insights from the study as a potential foundation to develop and evaluate CFOs and develop profiles which may aid in the selection and recruitment of future CFOs.
- Finally, the insights from this study will be valuable to the finance and accounting profession and all those organizations that are training and developing the financial executives of the future. The findings provide valuable ideas about the skills and competencies that could be integrated to the curriculum for accountants and financial professionals.

## RESEARCH METHODOLOGY & SURVEY DEMOGRAPHICS

***Beyond the numbers: The Evolving Leadership Role of the Canadian CFO*** was prepared by the Canadian Financial Executives Research Foundation (CFERF) and was sponsored by Knightsbridge Human Capital Solutions.

The results comprise of findings gathered through three primary sources.

An on-line survey was conducted between February 15, 2011 and March 11, 2011 of senior financial executives across Canada. During this time, 263 surveys were completed, of which 174, or 66%, were CFOs. About 46% of respondents were from private companies and 33% from public companies. A fairly broad section of Canadian industry was represented including: finance & insurance; manufacturing; and mining and oil & gas extraction. The majority of companies represented in the survey reported revenues of \$500 million or less, and about two thirds employed fewer than 1000 staff.

Interviews were conducted with fifteen CEOs and board directors to examine their perceptions of the evolving role of the CFO.

Insights were obtained through executive research forums with CFOs, CEO and board members held in Winnipeg on February 23, 2011 and in Vancouver, Toronto and Montreal on March 31, 2011. The latter forum took place simultaneously in these three cities, connected via videoconferencing.

The data was analyzed to arrive at the common themes that are presented in the section below.

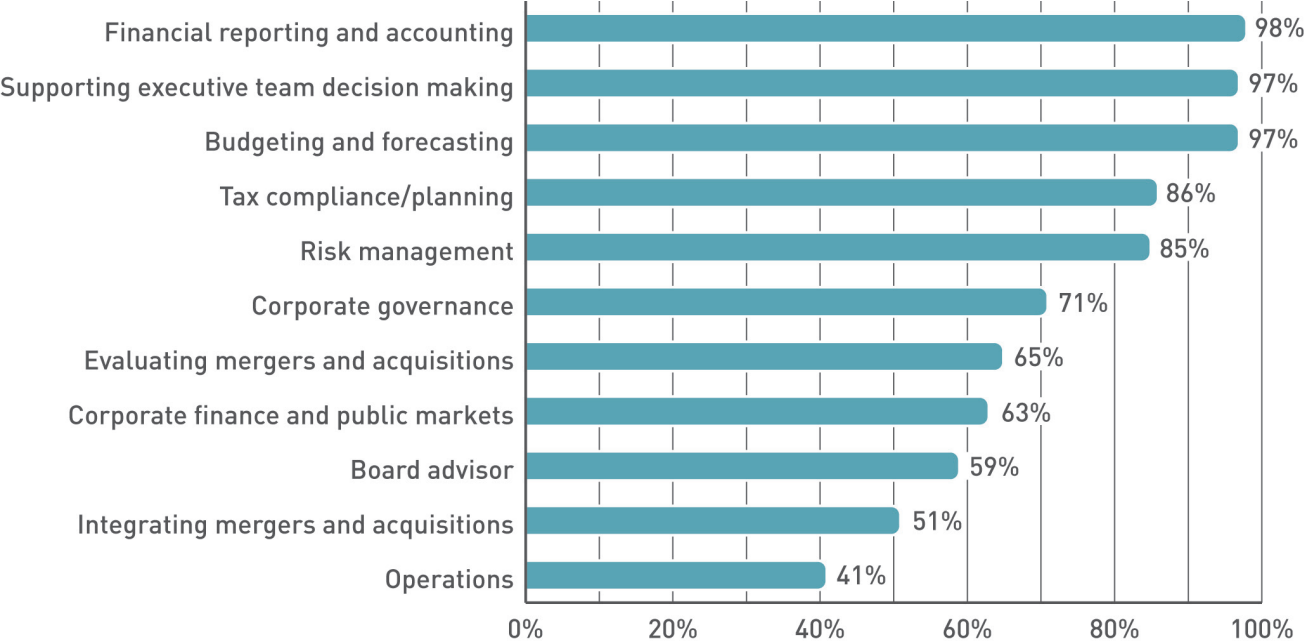
This study offers some intriguing insights into the evolving role of the CFO. This section presents the key themes emerging from the study. It will begin by exploring the current state of how CFOs view the role today. The second section will examine the barriers and obstacles that CFOs face. The final section will present the findings describing the future role of the CFO.

## THE KEY RESPONSIBILITIES OF TODAY'S CFO

The leading responsibilities of the CFO as seen by financial executives were three-fold: financial reporting and accounting (98%); supporting executive team decision making (97%); and budgeting and forecasting (also 97%).

Tax compliance/planning (86%) and risk management (85%) were duties shouldered by slightly fewer CFOs, according to survey participants, followed by corporate governance (71%). Not surprisingly, evaluating M&As (65%); corporate finance and public markets (63%), board advisor (59%), and the integration of M&As (51%), were not universal as a CFOs responsibilities in these areas would depend on the type and situation of the organization at a particular time. In addition, 41% of CFOs were also responsible for operations. (Chart 1)

CHART 1 – RESPONSIBILITIES OF THE CFO



### THE IMPORTANCE OF GOING BEYOND THE NUMBERS

CFOs play a more strategic vs. technical role when they help their peers, the CEO, and the board better understand the economic model of their businesses, interpret financial data to highlight key trends and their implications, and validate key business opportunities.

While CFOs have a number of traditional “technical” responsibilities such as accounting and financial reporting, the majority believe their most important role is their ability to interpret the trends and implications of financials to support

“ There is an expectation the CFO is going to get involved in business decisions. That means if there is an area of the business that is going to be in trouble ... the CFO should step in and help out. ”

**Laurie Tugman - President and Chief Executive Officer, Marsulex Inc.**

executive decision making (Chart 2). This involves turning financial data into useful information and insight the organization can use to make better business decisions. Those CFOs that demonstrate

this ability are viewed as strategic contributors to the management team by their peers, CEOs and boards. The CFO can also add value by simplifying and condensing complex issues facing an organization for other stakeholders (i.e. board members, the audit committee and the risk committee). For instance, the CFO should be able to boil down 100 pages of data on risk and mitigation into a summary of a few pages for board members to read, says Alister Cowan, CFO of Husky Energy in Calgary.

CFOs can seize opportunities by thinking creatively of how to overcome business challenges. Lenny Eichler, CFO of Distributel in Montreal, gives the example of a potential sale to a large customer who is not credit worthy. “That’s the innovative part of it,” he notes, adding the onus is on the CFO to try to find a creative way to make it happen, he says. “CFO does not stand for CF-No.” Robert Morgan, a

former VP Finance, agrees: “CFOs should move toward being an enabler rather than a blocker or scorekeeper,” he says.

The majority (78%) of CFOs believe they are currently fulfilling this “strategic CFO” role to some degree. When asked to define the role the CFO has in the strategic planning process, nearly half of all finance executives surveyed said the CFO at their organization is involved in setting strategic direction along with other members of the senior management team. About one-third said the CFO acts as a strategic advisor to the management team, including providing business advice and input beyond financial implications (Chart 3).

CHART 2 – TECHNICAL SKILLS MOST IMPORTANT FOR A CFO TO DRIVE THE SUCCESS OF THE ORGANIZATION



## THE KEY RESPONSIBILITIES OF TODAY'S CFO

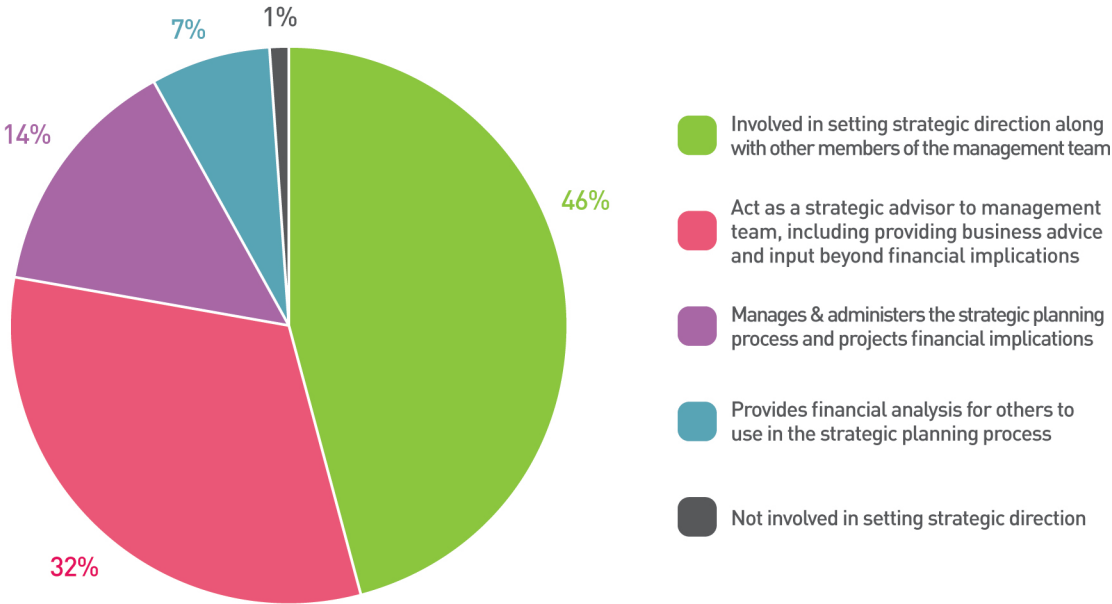
Balancing strategic thinking and number-crunching is definitely a challenge for Linda Elphick, CFO of iView systems, who observes: "You really do wear two hats all the time." The two hats could be viewed as one "high level" outlook overview

hat, with which the CFO is expected to contribute to overall thought leadership, and the other a detail-oriented, "in the weeds" perspective of company finance.

**"CFOs will need to be more business conversant, increase the mentoring and direction of finance staff and help drive bottom line improvements through efficiencies, accountabilities and technology/ERP advances."**

**Survey respondent**

**CHART 3 – THE ROLE OF THE CFO POSITION IN THE STRATEGIC PLANNING PROCESS**



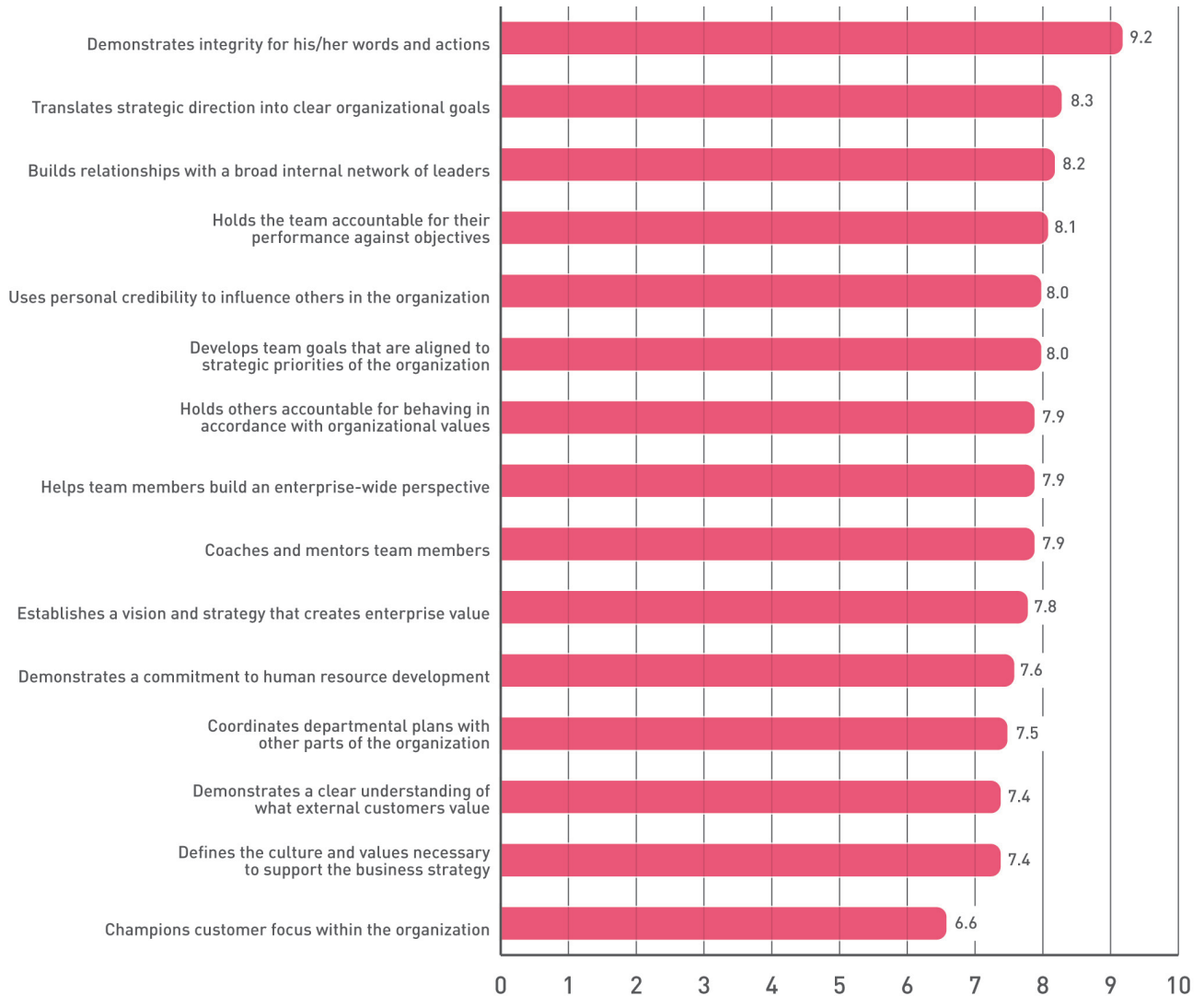
### THE MOST IMPORTANT LEADERSHIP CAPABILITIES

Chart 4 summarizes the leadership capabilities that financial executives believe are most important for CFOs to drive the success of their organizations. Not surprisingly, given the nature of the CFO's financial role, by far the most important leadership capability was their ability to demonstrate integrity, both in their words and actions. After that, was the ability to translate strategic direction, building internal relationships, and holding teams accountable. These are skills that are necessary to build credibility within an organization. Another important theme that was emphasized in the research forums was the need for CFOs to build a strong base of relationships with key external stakeholders.



## THE KEY RESPONSIBILITIES OF TODAY'S CFO

CHART 4 – LEADERSHIP CAPABILITIES MOST IMPORTANT FOR A CFO TO DRIVE THE SUCCESS OF THE ORGANIZATION



## WHAT CEOS & BOARDS EXPECT FROM CFOS

Some of the most interesting insights from this study emerged from the interviews conducted with CEOs and board members. Overall, there was widespread consensus that there is considerable room for improvement in how CFOs fulfill the strategic value they can bring to organizations. Three specific capabilities were deemed as most important for CFOs both today and in the future:

- **The ability to interpret and anticipate:** CEOs are looking for CFOs who can summarize and interpret large amounts of data, complex issues, and anticipate trends that will impact the business. CEOs do not have the time to wade through piles of financial reports and statements. They expect a CFO to do this for them, highlighting key issues and trends and – more importantly – the potential implications to the business. The most value that the CFO can deliver, according to one participant in the board member/CEO interviews, is to provide information, not data, for management to run the business, compared to just providing the financial reports.

- **The ability to understand operations:** Many CEOs and board members feel that CFOs need to do a better job of understanding the business's operations.

Understanding the business beyond the numbers is the only way CFOs can truly understand an organization's economic model. This involves an understanding of needs of its customers and how the organization uniquely fulfills those needs. Without a strong understanding in this area, it is impossible for CFOs to play the role of strategic advisor.

“ A good CFO knows enough to walk the floor. By the time you look at the numbers, they are old. Better to talk to a sales guy and see what's coming down the pipe so you can prepare. ”

**Tim Zahavich – CFO, St. Joseph Communications**

- **The ability to be an objective advocate:** CFOs need to be able to objectively evaluate growth opportunities in partnerships with their peers, which

## THE KEY RESPONSIBILITIES OF TODAY'S CFO

require them to balance the risks and upside of opportunities, as opposed to only focusing on the risk. CFOs can seize opportunities by thinking creatively of how to overcome business challenges.

It is important to note that the ability of a CFO to add greater value is a function of the organization and the growth state of a company. For example, many CFOs

The board and the audit committee look to the CFO to be an independent voice of reason when there is, for instance, a major deal going on, says Janet Woodruff, Vice President and Special Advisor to the CEO, BC Hydro in Vancouver. “The CFO has a critical role. On some transactions, the CFO is going to be the person the committee wants to hear from and know that the CFO has done their due diligence. It’s critical that they’re not being brought in at the 11th hour to comment.”

“The board expects the CFO to have a real understanding of risk tolerance and not have a ‘Chicken Little sky-is-falling’ perspective.”

**Lena Bullock – VP, Finance and CFO, Canadian Tourism Commission**

“They need to learn the art of knowing when to put the foot on the brake and when to put it on the gas – real leadership is how to strike the balance.”

**Executive with CEO and board chair experience, manufacturing sector**

may be focusing on the technical aspects of their roles because that is the

primary expectation of the CEO in that particular company. One participant in the board/CEO interviews actually stated that they preferred their CFO to focus first

on doing the accounting right; keeping the CEO and company out of trouble by minimizing risk and focusing on audit and compliance.

“The CFO needs to watch the CEO’s back.”

**Executive with CEO and audit committee chair experience, financial services sector**

## BARRIERS AND OBSTACLES THAT CFOS FACE

It is one thing to recognize the need to change, as we learned in the survey, but quite another to embody or “be the change”. Four areas surfaced involving how CFOs get caught between conflicting priorities, roles and cultural barriers and how these act to limit the strategic value they can provide to their organizations:

- First, CFOs indicated that they found themselves in a challenging position as they became “sandwiched” between conflicting priorities; the need to be a more strategic player and the realities of the recent financial crisis which has reinforced the need to focus on the fundamentals. This is particularly difficult for CFOs in small to mid size organizations with limited or junior financial resources.
- Second, the personality and behaviour of the CEO or board can inhibit or prevent CFOs from taking on a more strategic role. Cases were cited where the CEO made strategic decisions, sometimes in isolation and/or with other members of the executive team, excluding the CFO. This type of behaviour can isolate and inhibit CFOs from taking on a broader strategic role.
- Third, an organization’s structure and culture can prevent CFOs from taking on a more strategic role. Older, more traditional businesses may not understand or appreciate the value of the CFO role beyond a traditional “number cruncher”. A “lack of respect” and the perception of the CFO as bring a critic may cause

## THE KEY RESPONSIBILITIES OF TODAY'S CFO

them to be “shut out”. And in the case of subsidiaries of multinational firms, the expectations of regional CFOs can be much more transactional than strategic.

- And finally, CFOs themselves can create their own barriers, if they are unwilling to change and do not work to break down dated stereotypes and

silos between the finance department and operations.

Collectively, the nature of these barriers point to the fact that CFOs will have to advocate for themselves

“Proactivity is key – CFOs need to get the conversation going with the CEO; then CEOs can become better educated on what value they bring.”

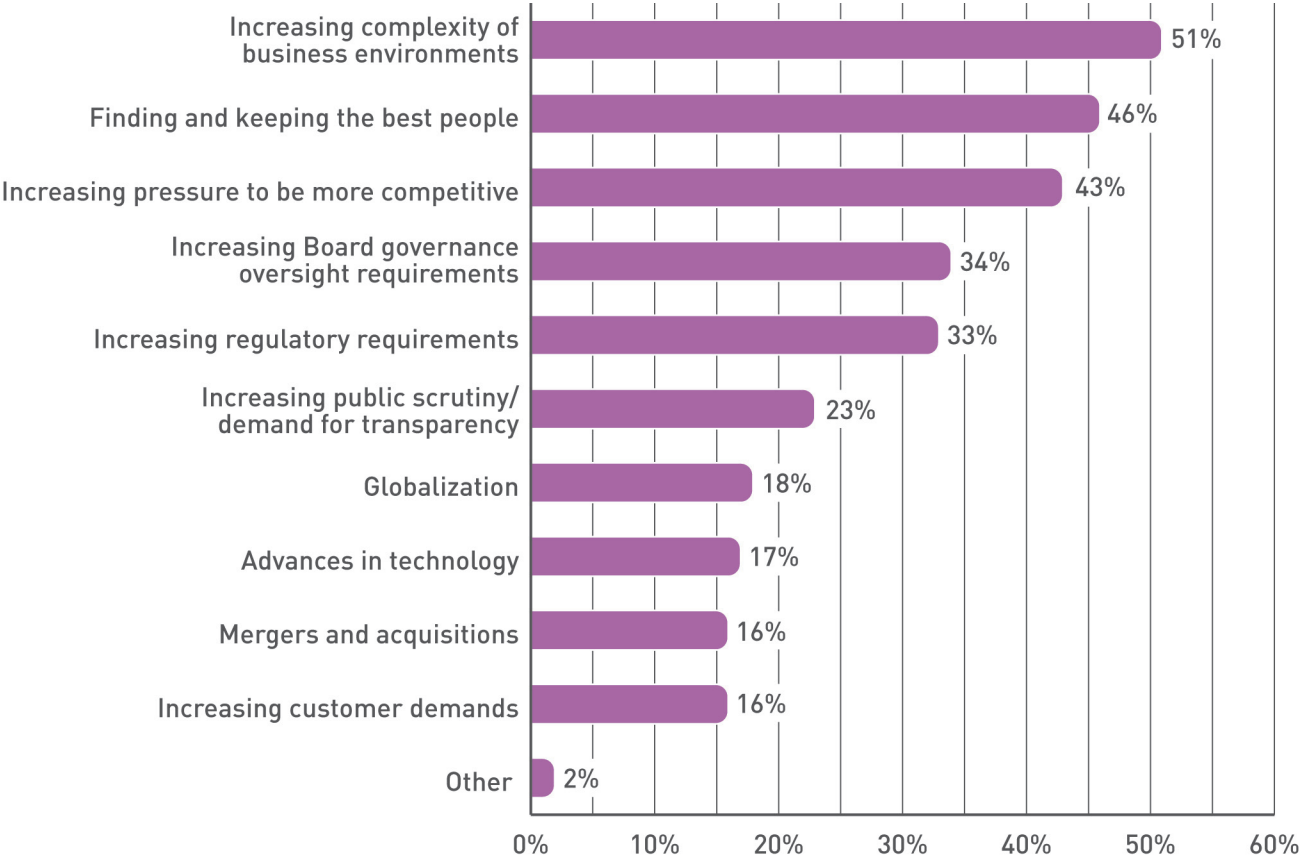
**Sofia Theodorou – VP, HR, The Loyalty Group**

(both collectively as a cadre of professionals and individually) as they work in their organizations. The data from the research points to the need for CFOs to become more proactive, rather than reactive. It appears that the CFO title or position alone is not enough to garner the respect of fellow executive leaders within the organization. As a result, CFOs need to build relationships effectively with many peers and stakeholders within their organizations and begin to actively demonstrate their strategic capabilities and contribution.

THE KEY FORCES IMPACTING THE FUTURE ROLE OF THE CFO

The study highlighted several key external forces that are collectively acting to drive the evolving role of the CFO from where it stands today, to where it needs to be in the future. The primary forces are highlighted in Chart 5.

CHART 5 – PRESSING TRENDS AND ISSUES THAT WILL HAVE AN IMPACT ON THE ROLE AND RESPONSIBILITIES OF CFOS IN THE NEXT FIVE YEARS



The research forum discussions clearly showed that all CFOs know their role is becoming broader and more complex, and that CEOs are demanding more of them. The recent recession and subsequent low growth economy has made industries more competitive as they fight for a piece of a smaller pie. The increasing competitiveness and complexity of the business environment is driving more Canadian companies to expand globally. As a result, more and more CFOs must deal with different currencies, regulations, and often different business models and partners via joint ventures and strategic partnerships. This means that CFOs need to become comfortable with the uncertainty and ambiguity that all these changes bring – not a small task given the complexity of the external environment.

Other key forces impacting CFOs in the future include increasing governance, compliance and regulatory requirements resulting from recent corporate scandals.

**“ CFOs should be able to build a great team that can deal with various compliance issues, but equally if not more importantly they should actively participate in developing and implementing strategy. ”**

**Atul Mahajan – President and CEO, Oshawa Power and Utilities Corp.**

CFOs are now expected to bring greater technical expertise and provide increased due diligence in the areas of compliance and regulatory requirements that predominately impact

the finance function. Collectively, these forces mean that CFOs need to not only stay abreast of the changes, but also to simultaneously increase their technical capability, while bring a strong strategic perspective to their leadership roles.

Finally, the looming talent crisis that is emerging as baby boomers retire, combined with increasing specialization within the finance function (i.e. risk management) is making it difficult to find and keep talented people. This means that CFOs need to excel as leaders in attracting, developing and retaining key finance talent.

## THE FUTURE ROLE OF THE CFO

The CFOs who participated in this study are clearly aligned in the belief that they must evolve their technical and leadership capabilities if they are to successfully deliver against the increasing strategic value CEOs and boards are expecting. As seen in Chart 6, the ability to translate strategic direction into clear organizational goals and establish a vision and strategy that creates enterprise value are the leadership capabilities expected to become much more important in the future.

The data gathered through the research forums and the in-person CEO and board member interviews also suggest that CFOs need to improve their knowledge in areas such as risk management, supporting executive team decision making, and corporate governance. They will increasingly be asked to have a better understanding of global markets and the financial implications of doing business across borders. Given the emergence of increasingly complex business structures (i.e. joint ventures, strategic alliances, etc.), CFOs will need to build strong working relationships with partners and external stakeholders. This will require the development of strong negotiation skills and powers of persuasion.

“As your career is starting, you’re generally very technical in nature resulting in your early promotions being primarily due to your technical strength. As you move into more senior roles, like CFO, leadership skills take on more and more prominence. ... Finance professionals tend not to naturally focus on coaching and mentoring. I believe this is a development opportunity for our profession.”

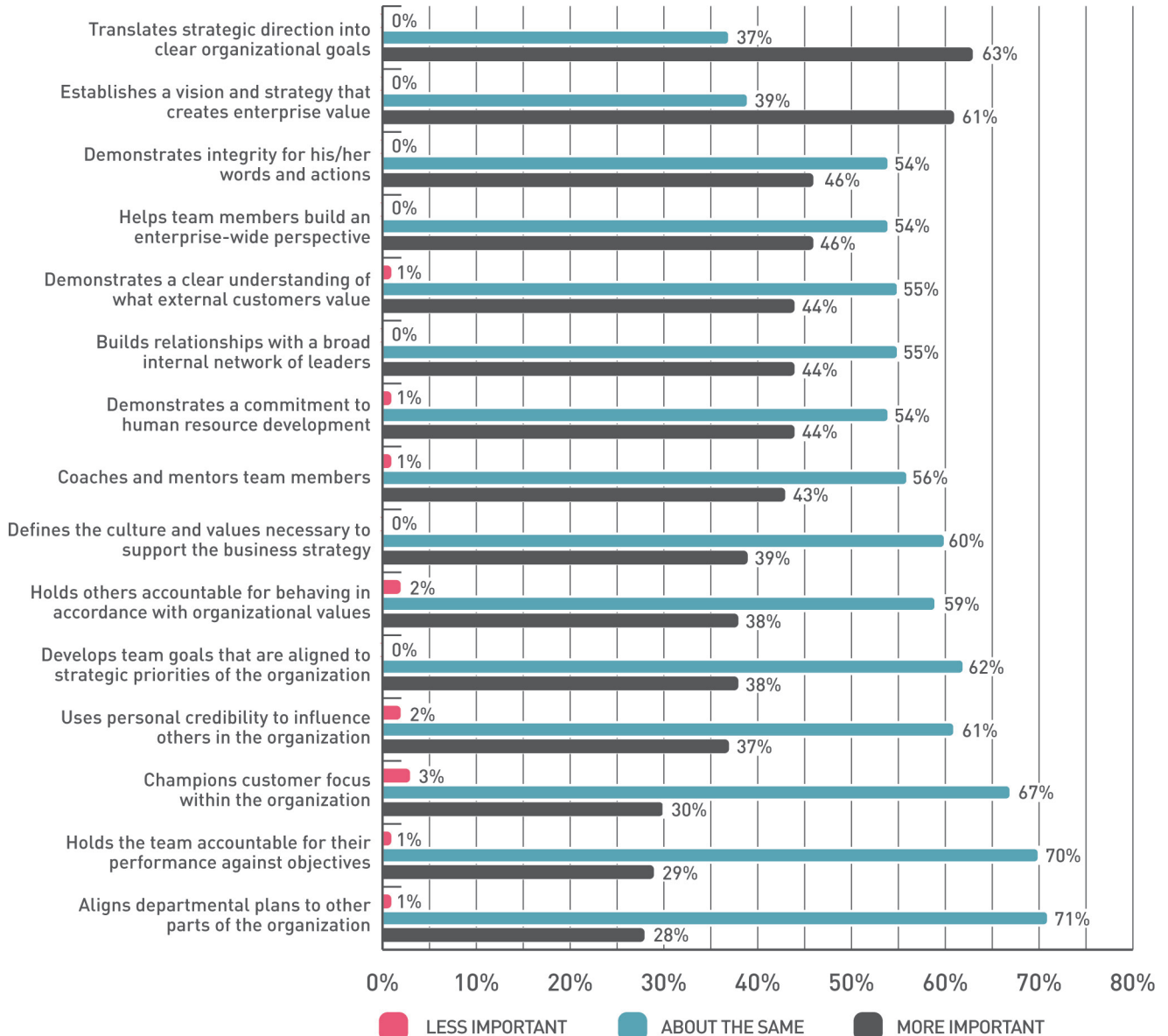
**Rod Ancrum – SVP, Finance and HR and CFO, Credential Financial Inc.**

An increasing challenge for CFOs is to maintain the strategic role they play in supporting the business while dealing with increasing compliance and regulatory demands. This will likely drive the need for larger, more experienced finance teams with a greater degree of specialized skills (i.e. risk management). Given this, CFOs will need to enhance their leadership skills in the areas of team building and effectiveness, and will need to help their team better understand the business so they have a better enterprise-wide view which will enhance the strategic value add of the finance team, not just the CFO.



## THE FUTURE ROLE OF THE CFO

CHART 6 - IMPORTANCE OF CFO LEADERSHIP SKILLS OVER THE NEXT FIVE YEARS



## HOW CFOS CAN GET THERE

The conditions in which CFOs are now working and the forces impacting their future role point to a fragmented and fast moving world in which they are:

- squeezed by the demands of rigorous financial oversight;
- compelled to provide penetrating foresight into where the business is headed;
- obliged to exercise greater insight in working with people inside and outside of their organizations, and
- required to use the benefits of their hindsight to harness the often contrarian roles of advocate and gatekeeper.

In order for CFOs to successfully manage and meet the increasing demands and expectations of their role in the future, they need to:

- Maintain the strategic role they play in supporting the business, while dealing with increasing compliance and regulation demands (such as Sarbanes Oxley and IFRS).
- Enhance capabilities in the areas of risk management, supporting executive team decision making, and corporate governance.
- Continue to build understanding of global markets and the financial implications of doing business across borders.
- Intently focus on building strong working relationships with partners and external stakeholders, requiring strong influencing and negotiation skills.
- Augment their leadership skills, particularly translating strategic direction into clear organization and team goals, establishing and communicating a vision and strategy that creates enterprise value, and helping team members build an enterprise wide perspective.

## HOW CFOS CAN GET THERE

An additional insight that emerged from the research was the need for CFOs to fully understand the type of organization they are joining. If they are being recruited into new roles, paying careful attention to the style of the CEO and board as well as the type of organization (i.e. branch plant, privately held) is of crucial importance.

“At university, I never learned negotiations - my mom taught me. I wanted to buy this Chevy Nova when I was 18. She came out in her housecoat and she said, ‘There are dents on this car,’ and she knocked the price down by \$300. And so that is something that as accountants we didn’t learn. I think the new CFO is spending a lot of time negotiating, trying to drive the best deal, bring people into an area that helps you as an organization, but also creates a win-win on both sides. ... My son just finished up commerce and they do have the negotiations course. So he’s been negotiating with me. Of course, I’ve been losing.”

**Michael Ruta – Acting CAO, City of Winnipeg**

The CFO should gauge the maneuvering ability that they may or may not have based on a careful interpretation of how interested the CEO is in including them in the formulation of key strategic initiatives. For those CFOs who are currently employed in an organization that has more of a “command and control” type structure, they will want to improve their ability to be influential, and determine ways to enhance their credibility with the peers, the CEO and board, as well as develop an intimate understanding of the inner workings of the organization. Insights gained from this understanding will, in most cases, be welcomed by the CEO and board.

## THE CALL TO ACTION – CONCLUDING THOUGHTS & INSIGHTS

The findings from this study are compelling and create a call to action for CFOs, CEOs and boards and the broader finance and accounting profession.

### CFOS AND SENIOR FINANCE EXECUTIVES

As CFOs contemplate the survey results, there are clear calls to action that can be built into their future professional development plans. There are, in fact, areas that they can build into their daily work plans:

- **Building strong internal and external relationships:** CFOs who can budget the time to seek out peers, team members and employees across their organizations will have a much stronger sense of the operational aspects of the business. These insights will be instrumental in providing greater insight into operations.
- **Taking the time to network outside of the organization:** Learning about best practices from fellow CFOs and investing the time to participate in industry and professional associations will provide CFOs with opportunities to learn about best practices and emerging trends in the field.
- **Creating a personal leadership development plan that reflects this evolving role:** The development of skills to influence and the ability to navigate the corridors of the organization are emerging as vital skills for CFOs. While the vast majority of CFOs cited reading as the best way for them to keep current, they also participated in seminars and conferences. What is notable is that only 19% participated in customized programs for the C-Suite, which could explain some of the challenges CFOs have experienced in better integrating with the rest of the executive team. In addition, CFOs need to undertake a variety of projects including leading enterprise wide initiatives and finding opportunities to spend more time with customers and operations. These initiatives will enable CFOs to broaden their understanding of the business

in a greater strategic perspective. Some CFOs indicated that taking on a business development or account management role with one key customer was helpful in building their understanding of the business and building their credibility inside the organization.

- Finally, CFOs must consciously put more emphasis on their teams. Supporting team members to make greater contributions not only assists their own development but it also enforces succession planning. It will also free up the CFO to do more strategic work.

## CEOS AND BOARDS

The findings from this study also present a call to action for CEOs and boards (especially audit committees). These stakeholders are asked to consider the following:

- Use the insights from the study as a potential foundation to develop and evaluate CFOs and develop profiles that may aid in the selection and recruitment of future CFOs.
- Ensure that clear expectations are set in terms of the value that the CFO is expected to deliver to the organization and the board.
- Work to support the growth and development of the organization's CFO from technical expert to technical expert with strong enterprise wide leadership capabilities.

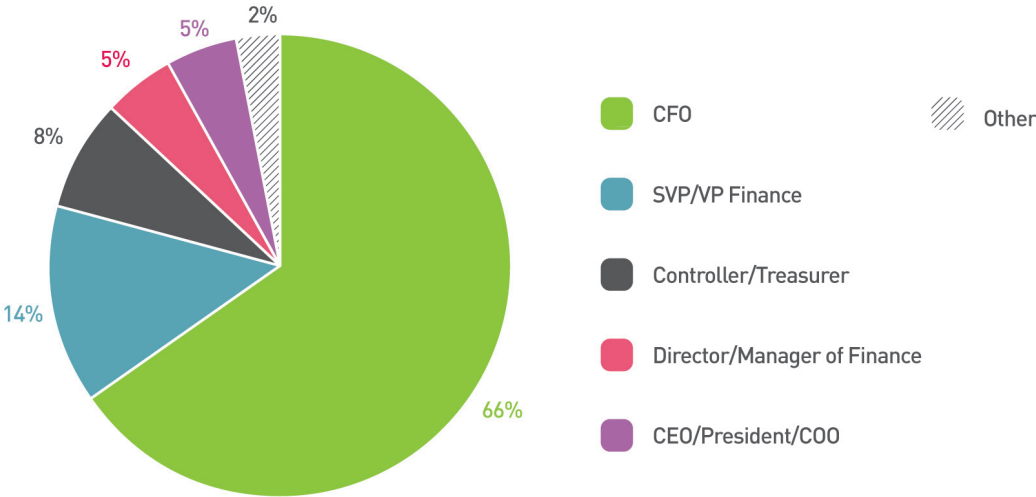
## THE FINANCE AND ACCOUNTING PROFESSION

Finally, the insights from this study will be valuable to finance and accounting professionals and all organizations that are training and developing the financial executives of the future.

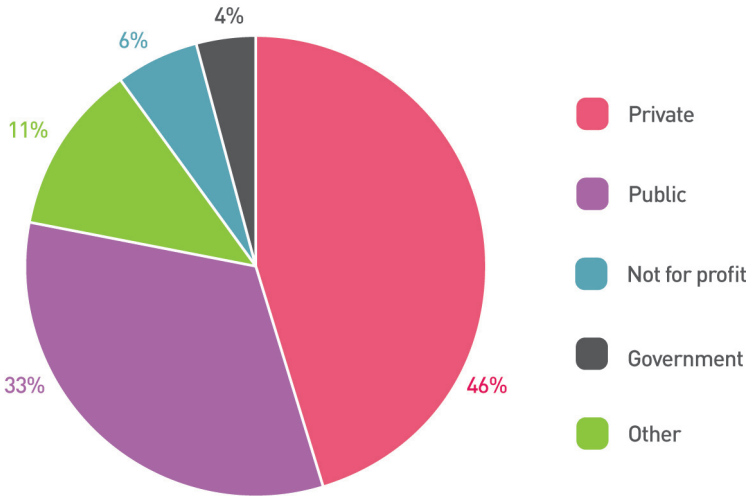
- The findings provide valuable ideas on the skills and capabilities that may need to be included in the curriculum for accountants and financial professionals.
- Reassess how financial professionals and executives are developed. Ensure that through this development there are opportunities to build on the technical aspects of the curriculum with topics that develop leadership capabilities.
- Continue to advocate the broader or holistic value that financial executives bring to organizations in all sectors.

# APPENDIX A – DEMOGRAPHICS

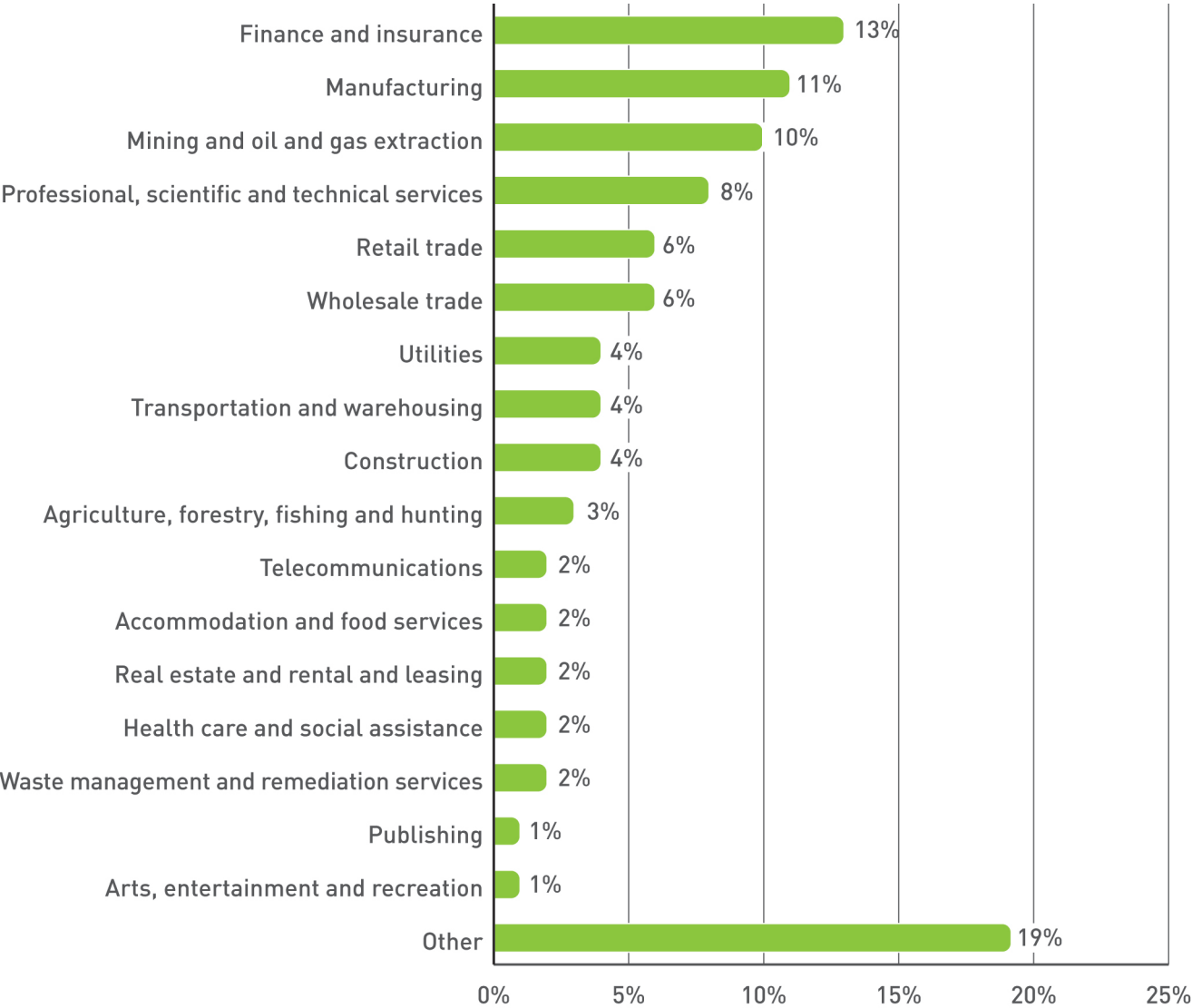
## POSITION TITLE



## CORPORATE STRUCTURE



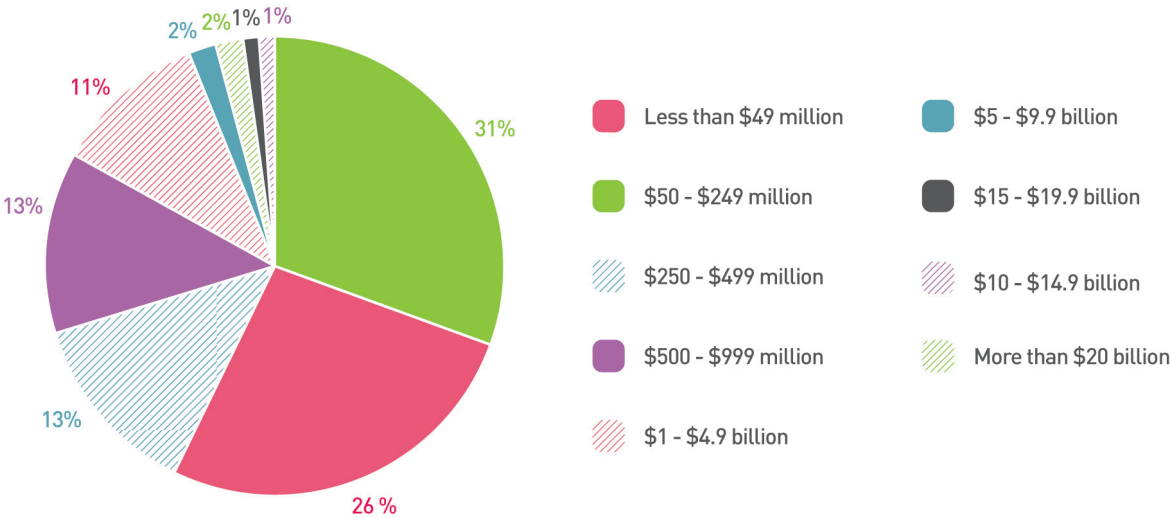
INDUSTRY CLASSIFICATION



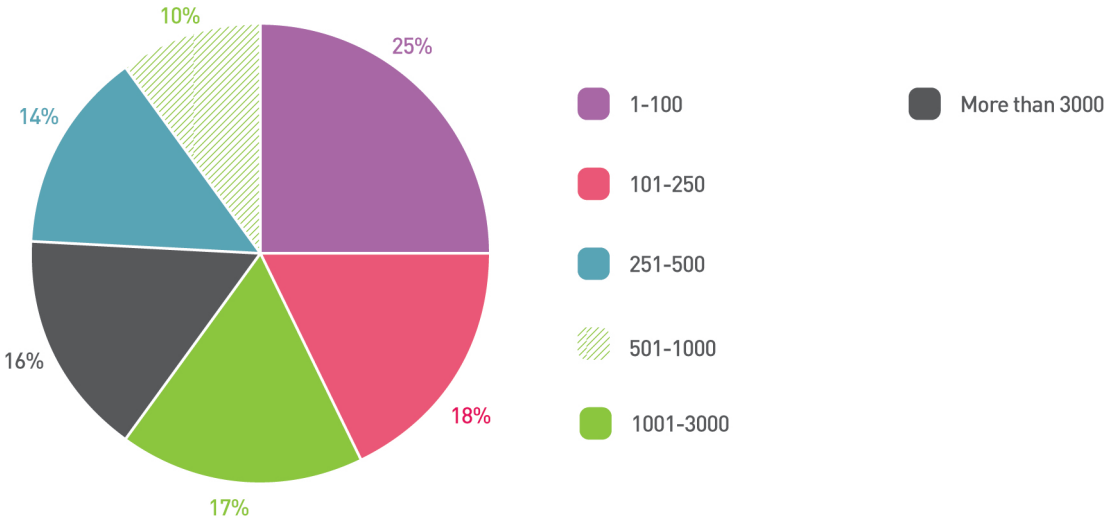


APPENDIX A – DEMOGRAPHICS

ANNUAL REVENUE



EMPLOYEES



## APPENDIX B – FORUM PARTICIPANTS

### Forum Chair

**Michael Conway** – Chief Executive & National President, FEI Canada

### Moderators

**Christian Bellavance** – VP, Research & Communications, FEI Canada

**Vince Molinaro** – Managing Director, Leadership Solutions Practice, Knightsbridge Human Capital Solutions

### Vancouver

**Rod Ancrum** – Senior VP, Finance, Human Resources, & Chief Financial Officer, Credential Financial Inc.

**Lena Bullock** – VP, Finance and CFO, Canadian Tourism Commission

**Alister Cowan** – CFO, Husky Energy

**Trevor Fedyna** – VP Corporate Services and CFO, BC Safety Authority

**Janet Woodruff** – VP & Special Advisor to the CEO, BC Hydro

### Winnipeg

**Glenn Asham** – CFO, New Flyer Industries Canada ULC

**Michael Ruta** – Acting CAO, City of Winnipeg

### Toronto

**Bob Angel** – President, The Gilford Group Ltd.

**Jeff Bouganim** – CFO and VP of Finance, XCEED Mortgage Corp

**Victoria Davies** – CFO, Knightsbridge Human Capital Solutions

**Linda Elphick** – CFO, iView Systems

**Atul Mahajan** – President & CEO, Oshawa Power and Utilities Corporation

**Kelly McDougald** – Managing Director, Career Solutions Practice, Knightsbridge Human Capital Solutions

## APPENDIX B – FORUM PARTICIPANTS

**David McLaren** – CFO, Redpath Sugar Ltd.

**David Shaw** – Founder and CEO, Knightsbridge Human Capital Solutions

**Line Trudeau** – CFO, FEI Canada

**Laurie Tugman** – President & CEO, Marsulex Inc.

**Tim Zahavich** – CFO, St. Josephs Communications

### Montreal

**David Anderson** – Executive VP & CFO, CGI Group Inc.

**Thierry Autin** – Former VP, Finance, LASIK MD

**Jean Carrier** – Former VP, Finance and Administration, Agropur, Fine Cheese division

**Lenny Eichler** – CFO, Distributel

**Yves Lorange** – Director, Administration and Finance, Foundation of Greater Montreal

**Robert Morgan** – Former VP Finance, Pleio Health Support Systems Inc.

### Knightsbridge

**Jill Birch** – Principal

**Mathé Grenier** – Principal

**Tara Cree** – Principal

**Alex Vincent** – Senior Consultant

**Josée Goulet** – Principal

**Elaine Lindsay** – Client Service Advisor

**Corinne LaSorsa** – Client Service Advisor

**Cindy Lake** – Client Service Advisor

### FEI Canada

**Laura Bobak** – Senior Writer, FEI Canada & CFERF

**Melissa Gibson** – Communications & Research Manager, FEI Canada

### THE CANADIAN FINANCIAL EXECUTIVES RESEARCH FOUNDATION (CFERF)

is the non-profit research institute of FEI Canada. The Foundation's mandate is to advance the profession and practices of financial management through research. CFERF undertakes objective research projects relevant to the needs of FEI Canada's 2,000 members in working toward the advancement of corporate efficiency in Canada. Further information can be found at [www.feicanada.org](http://www.feicanada.org).

**FINANCIAL EXECUTIVES INTERNATIONAL CANADA (FEI CANADA)** is the all industry professional membership association for senior financial executives. With eleven chapters across Canada and 2,000 members, FEI Canada provides professional development, thought leadership and advocacy services to its members. The association membership, which consists of Chief Financial Officers, Audit Committee Directors and senior executives in the Finance, Controller, Treasury and Taxation functions, represents a significant number of Canada's leading and most influential corporations. Further information can be found at [www.feicanada.org](http://www.feicanada.org).

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We would like to thank Laura Bobak for writing this report.  
We would like to thank Megan Gibson for designing this report.

