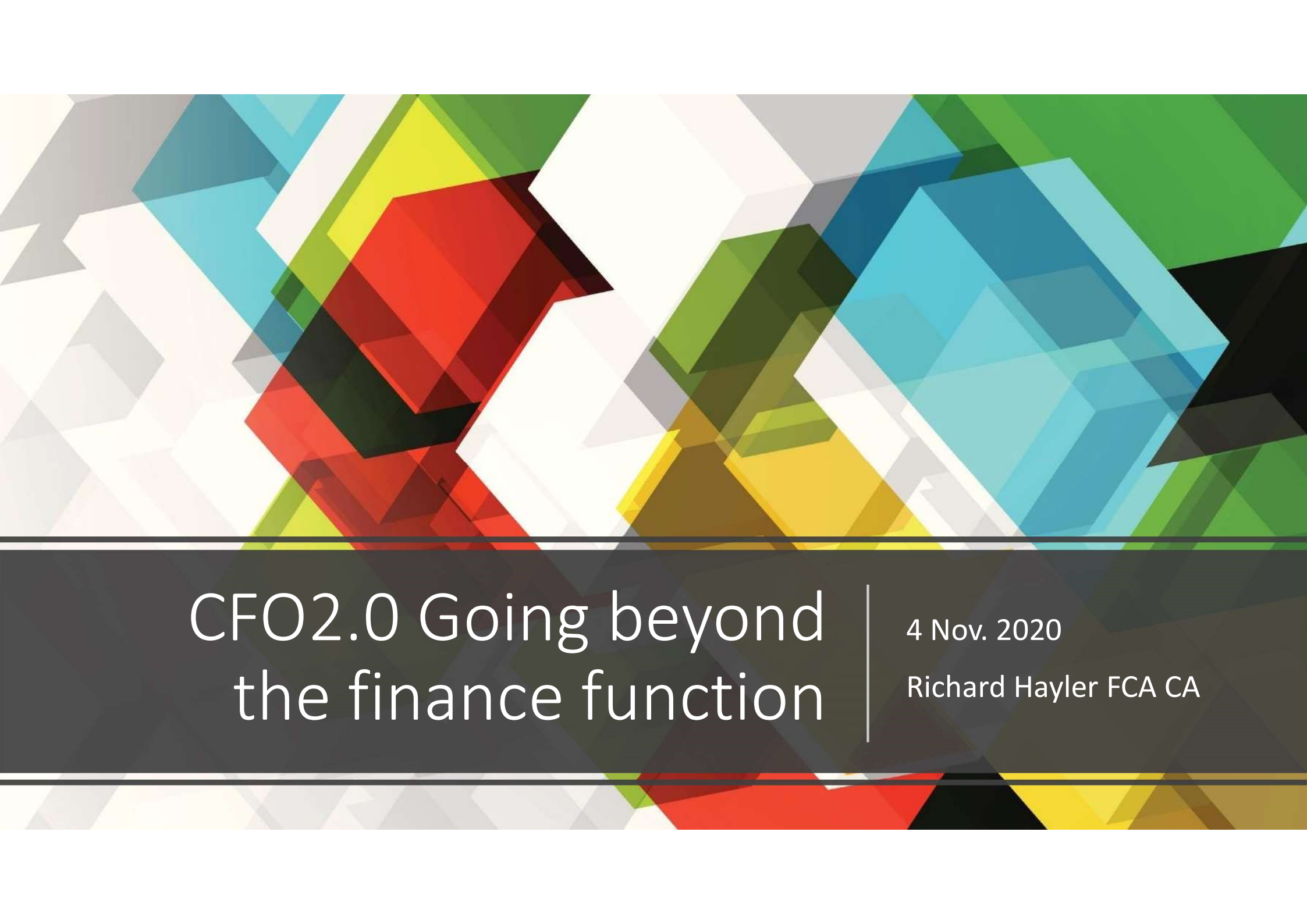




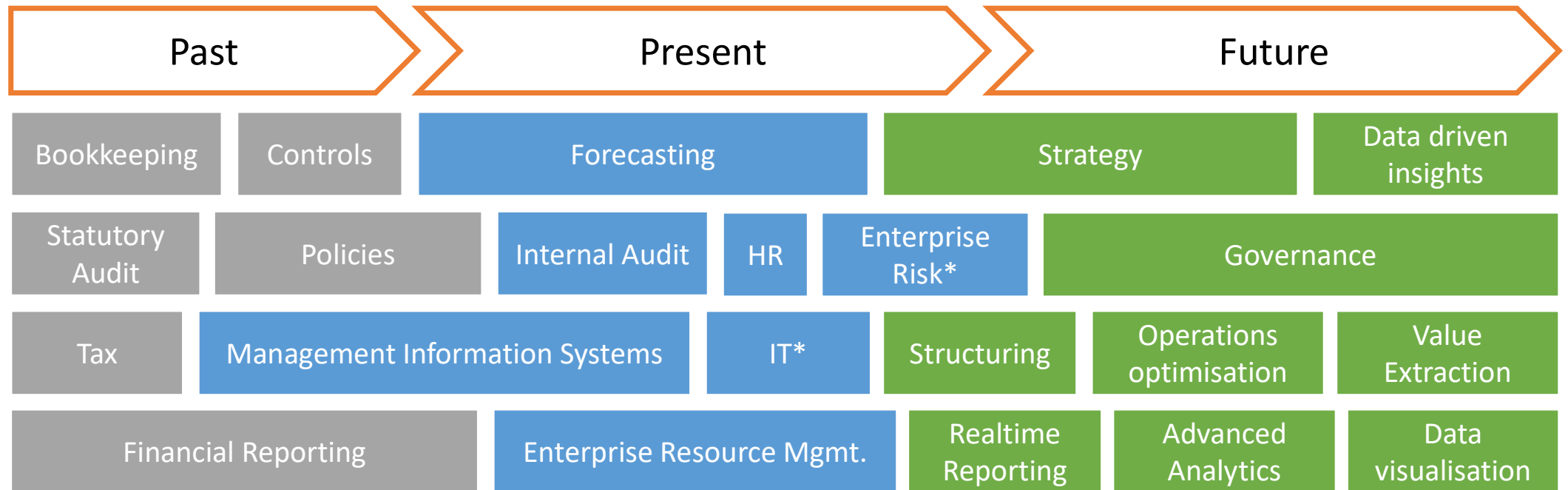
CFO2.0 Going beyond the finance function

4 Nov. 2020

Richard Hayler FCA CA

How is the role of the CFO changing?

Varies by sector and company but generally...



Business Reviewer
& Record Keeper



Business Partner
& Problem Solver



Value driver &
Creative strategy

Why the change?



A natural evolution of the “Business Partner” or “Problem Solver” role from providing a service and fixing problems to identifying opportunities and driving value, but also...



Dynamic Markets

- Rapidly changing markets
- Influence of Private Equity
- Market shocks (COVID)
- CEO needs more support



Technology Improvements

- MIS & ERP improvements
- Data analytics accessible
- Data visualisation & insights
- CFO early adopter advantage



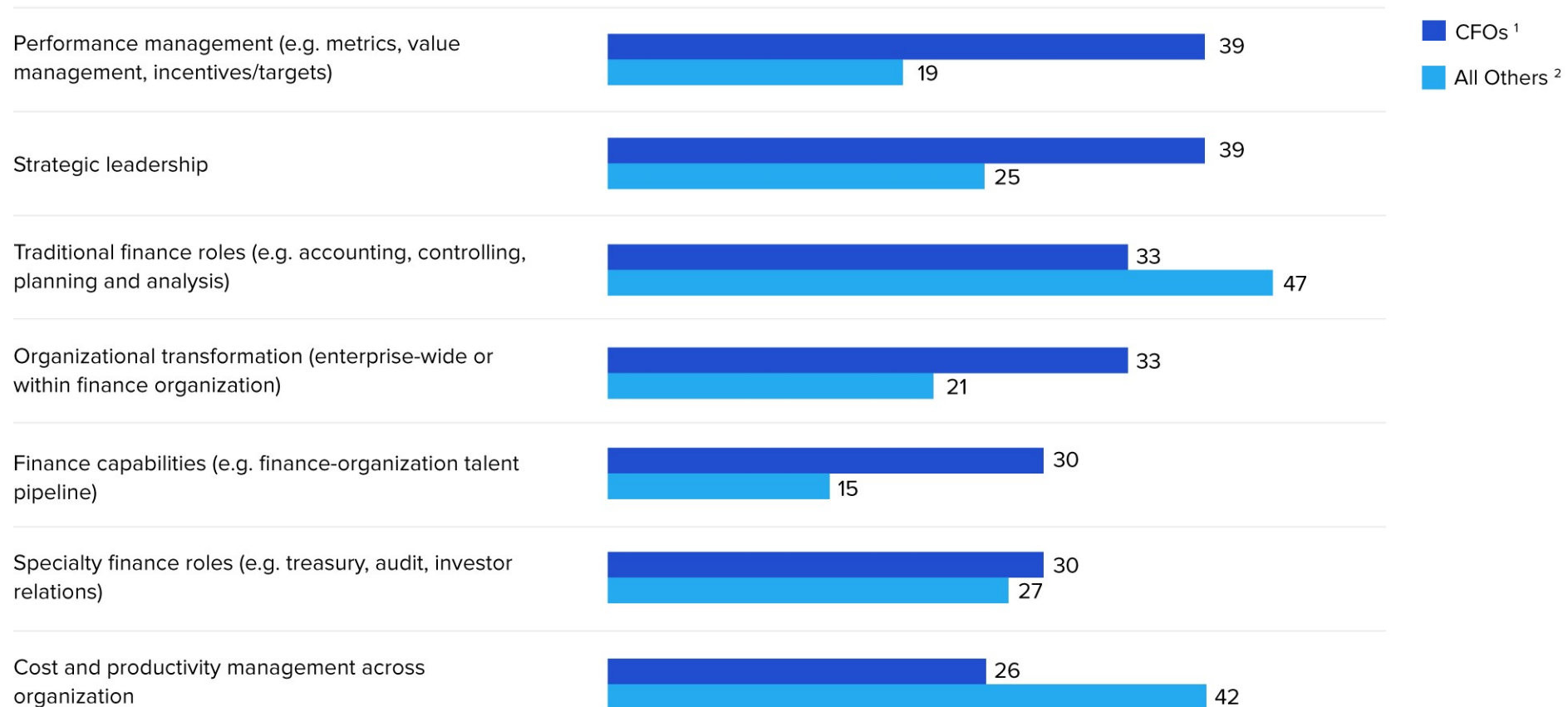
Regulatory Burden

- Regulation expanding
- Enforcement more likely
- New and emerging risks
- Significant mgmt. time lost

Expectation gap?

Areas in Which CFOs Have Created Most Financial Value

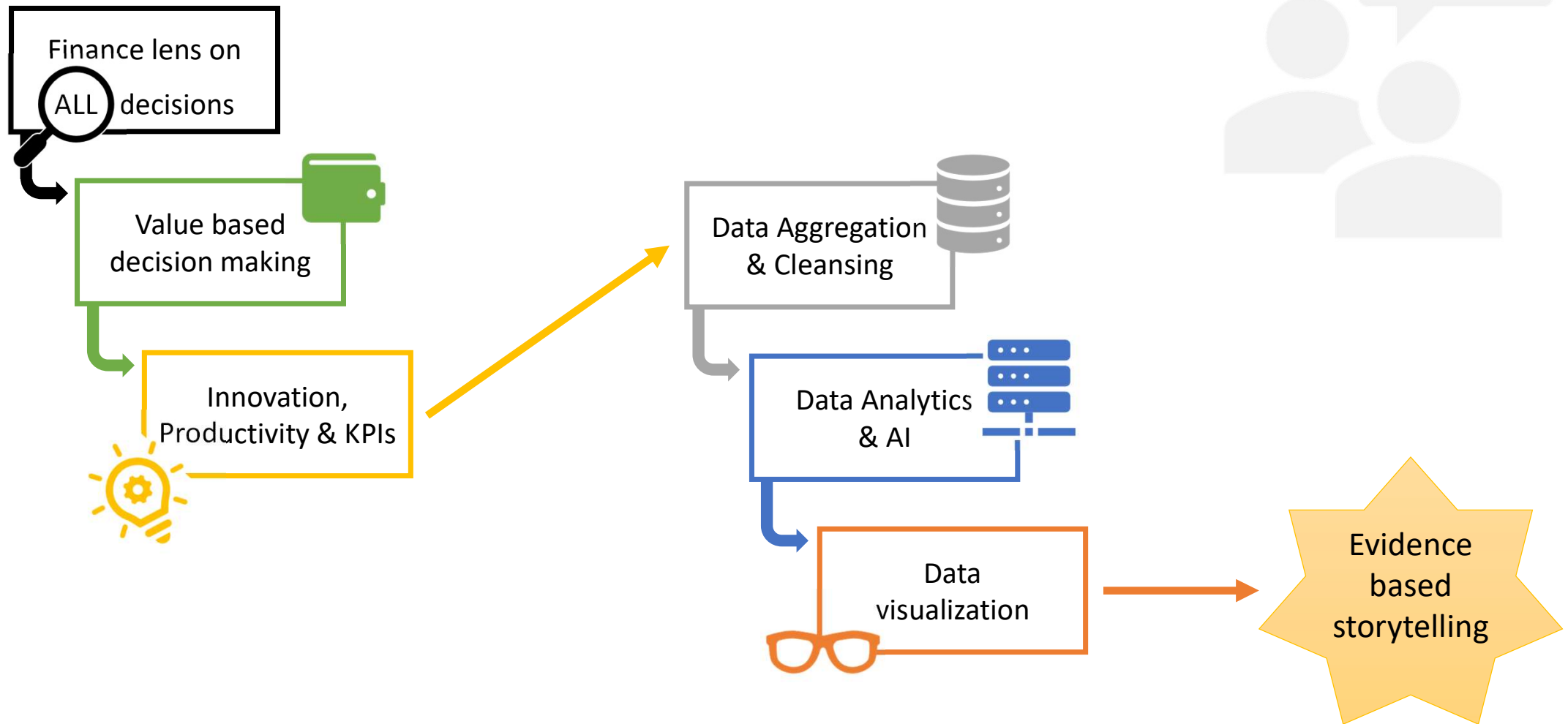
% of respondents



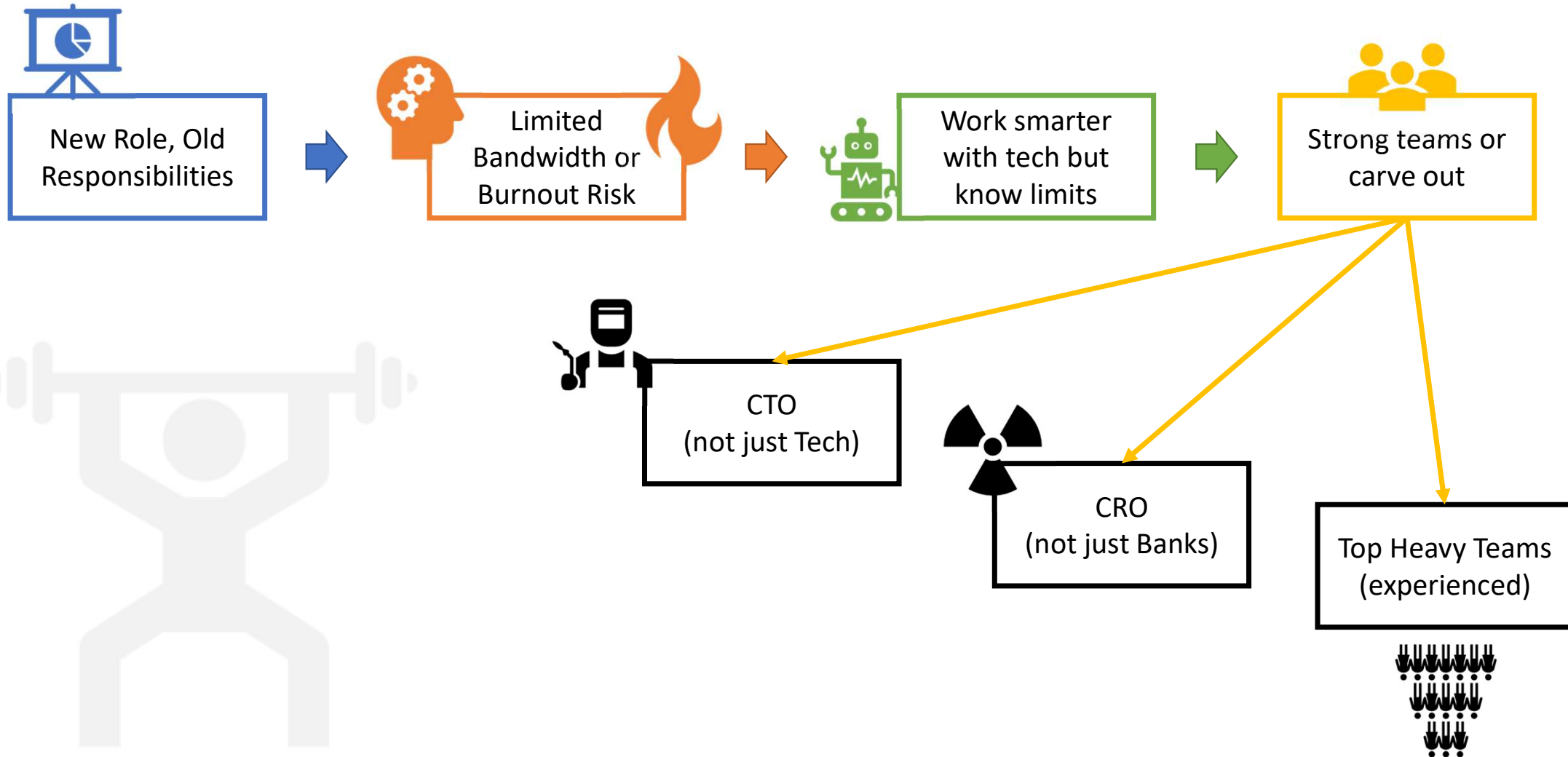
Source: McKinsey



CFO as a Strategic Advisor



CFO Focus & Burnout



Rise of the Chief Risk Officer

Over emphasis on compliance can leave CFO appearing negative and detract from their ability to be the “Strategic Advisor” the CEO needs...

Risk & Compliance:

- 1) Started with banks, then insurers followed by other regulated industries e.g. utilities and non-profits;
- 2) Frees up the CFO to focus on strategic issues while demonstrating company commitment to risk mgmt.;
- 3) Best CROs will aim to turn regulatory burdens into competitive advantages;
- 4) May also cover related areas such as audit, due diligence, insurance, legal etc; and
- 5) Usually report to Audit Committee or CEO but may report to CFO/GC.

A similar albeit less significant trend in the rise if the CTO outside the Tech industry.

Include Stats



CFO Skills for Success



**Introverted
Number Cruncher**



**Extroverted
Business Leader**

{
Storytelling
Strategy
Interpersonal
Gravitas

SSIG



Cost Focused



Growth Focused

{
Productivity
Innovation
Technology
Structuring

PITS



Managing



Enabling

{
Recruiting
Retaining
Empowering
Empathy

R²E²

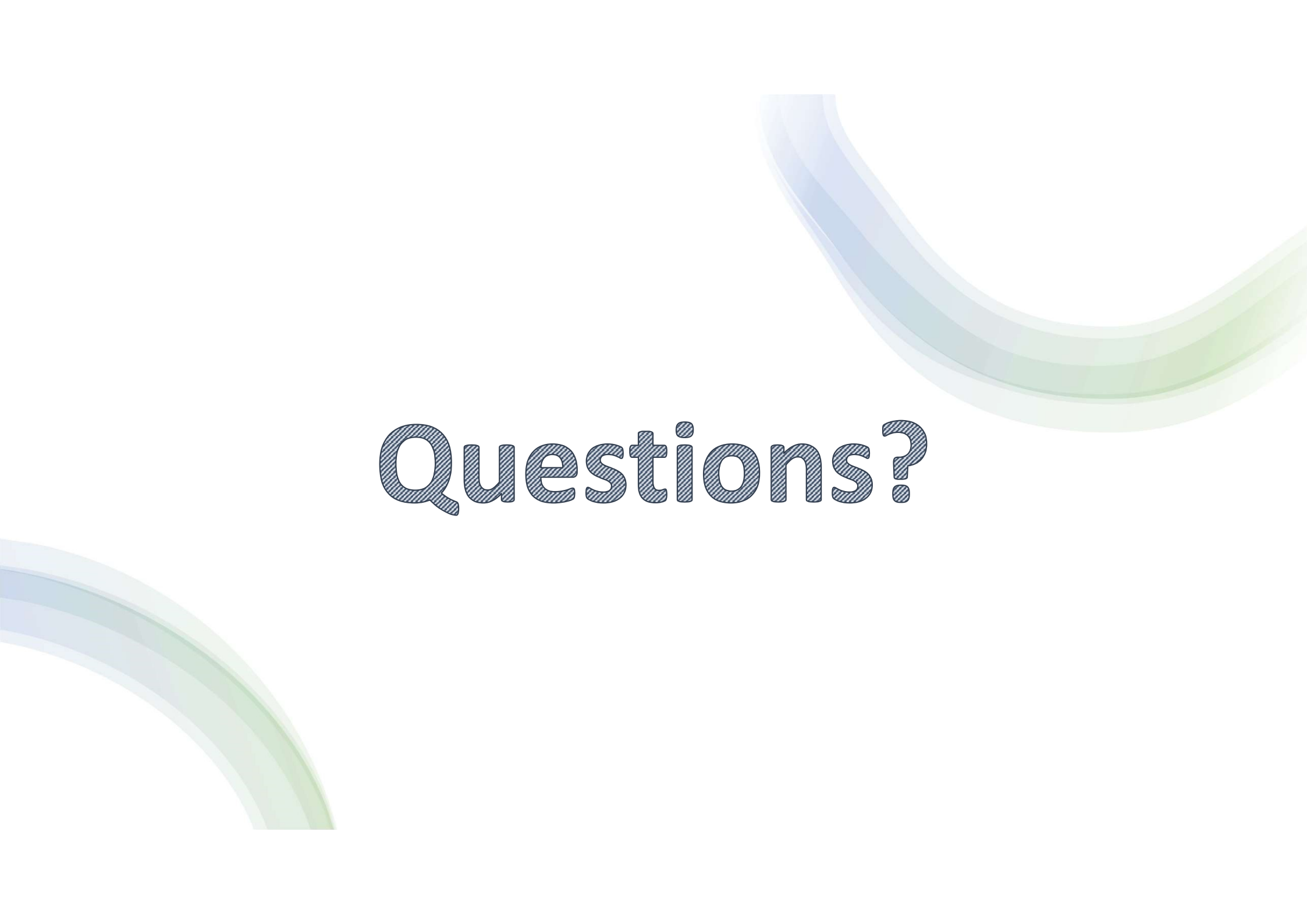
Still room for improvement

Top Concerns of CEOs Regarding CFO Skillset



Source: KPMG



The image features two decorative curved lines in the corners. One line is in the top right corner, curving from the top edge towards the right. The other is in the bottom left corner, curving from the bottom edge towards the left. Both lines have a gradient from light blue to light green.

Questions?