Four faces of the CFO
CFOs play four critical roles

**Catalyst**
Catalyze behaviors across the organization to execute strategic and financial objectives while at the same time creating a risk intelligent culture

**Strategist**
Provide financial leadership in determining strategic business direction, M&A, financing, capital market and longer-term strategies vital to the future performance of the company

**Steward**
Protect and preserve the critical assets of the organization and accurately report on the financial position and operations to internal and external stakeholders

**Operator**
Balance capabilities, talent, costs and service levels to fulfill the finance organization’s core responsibilities efficiently
1. Operator

The objective of the Operator is to balance capabilities, talent, costs and service levels to fulfill the finance organization’s responsibilities.

**Key focus**

- Efficiency and effectiveness of operations including overall risk management of the finance operation
- Add value to the revenue owners

**Key roles**

- Dynamically balance cost, risk and service levels in delivering on the finance organization’s responsibilities
- Define and adapt finance’s operating model
- Development of finance talent

**Competencies**

- Leverage system capabilities, program / project management, problem solving and adopting a cross-border attitude
- Focus on what matters both inside and outside of finance
- Strong leadership skills including an understanding of key information systems and human resource issues
- Strong understanding of the company’s business model and industry
- Understanding of risk and controls to properly manage and help mitigate risk

**Critical issues**

- Ensure finance and accounting function operational efficiencies are in place and allow attention on value enhancing activities
- Developing and evolving the finance operating model and talent management in financial disciplines as the business model continues to change while remaining efficient and effective
- Determining how to allocate scarce or limited finance resources to drive the greatest return on investment while managing risk
- Ability to adapt to global markets and operations (shared services) and the evolution towards International Financial Reporting Standard (IFRS)
## 2. Steward

The objective of the steward is to protect and preserve the assets of the organization.

<table>
<thead>
<tr>
<th>Key focus</th>
<th>Key roles</th>
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</thead>
<tbody>
<tr>
<td>Accounting and control</td>
<td>Ensure company compliance with financial reporting and control requirements</td>
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<tr>
<td>Risk management and preserving assets</td>
<td>Ensure adequate assessment and mitigation of risk, and compliance with applicable regulatory or other legal requirements</td>
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<tr>
<td>Partner with functional and business unit owners in the risk management identification process</td>
<td>Manage business complexity while minimizing risk as the business executes on its strategies and initiatives</td>
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<th>Competencies</th>
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<td>Accounting and reporting, compliance, applying good judgment</td>
<td>Information and data quality, optimizing controls</td>
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<tr>
<td>Objective nature and ability to effectively communicate risks and potential solutions across the organization and to the Board</td>
<td>Increased regulatory enforcement across domestic and global operations</td>
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<td>Knowledgeable of operational and fraud risks</td>
<td>Span of control over international operations and differing operating models and cultures</td>
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<td>Understanding of controls and related control frameworks (COSO, COBIT, etc.)</td>
<td>Understanding effective governance models over growing business complexity, global reach and overall marketing, sales and product complexity (i.e. extended business relationships, royalty agreements, distributorships, etc.)</td>
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3. Catalyst

The objective of the Catalyst is to stimulate behaviors across the organization to achieve strategic and financial objectives.

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<td>Disciplined execution of strategic choices</td>
<td>Gaining business alignment to successfully identify, evaluate and execute strategies by partnering with senior management</td>
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<tr>
<td>Changing organization behavior and establishing a value attitude</td>
<td>Being a business partner with other executives such as the CIO, CMO, General Counsel or CLO, Head of HR and business unit leaders</td>
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<tr>
<td>Gaining business alignment to successfully identify, evaluate and execute strategies by partnering with senior management</td>
<td>Implementing a process to define optimal targets and to measure the performance of the strategic initiatives through a Balanced Scorecard and/or KPI framework</td>
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<td>Business perspective, change and conflict management, organizational agility and facilitation</td>
<td>Establishing structure of enterprise accountability for results, driving enterprise execution</td>
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<tr>
<td>Strong communication and change management skills</td>
<td>Gaining acceptance from business management as the organization’s catalyst</td>
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<tr>
<td>Strong leadership and business partnering skills</td>
<td>Maintaining enterprise accountability while business models continue to change through extended business relationships, outsourcing models and global expansion</td>
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<tr>
<td>Creating a culture of risk intelligence to manage risk to proper execution of business strategies</td>
<td>Understanding of key performance measurements to measure success of strategic and operating initiatives</td>
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4. Strategist

The objective of the strategist is to provide leadership with respect to aligning financial and business strategies such as M&A, the investments and capitalization of the company.

**Key focus**

Helping to set the future direction of the company in order to enhance business performance and shareholder value

**Key roles**

Leveraging financial perspective to frame the acquisition of capital, undertake M&A and other investments, strategic decision-making, integration of performance management

Create a capital and risk management lens to support the effective execution of the strategic initiatives of the Company

Establish, implement and monitor management’s intervention strategy when risk issues exceed defined thresholds of risk tolerance

**Competencies**

Critical thinking, analysis and presentation of data, global financial perspective, strategic agility, dealing with ambiguity

Capital formation and structuring experience

Merger targeting, due diligence and integration experience

**Critical issues**

Providing a financial perspective on innovation, M&A and profitable growth, acquiring capital and translating expectations of the capital markets into internal business imperatives

Providing the information and tools necessary for the organization to make sound business decisions

Strategic M&A wave – speed and the need to get ahead of the curve

Difficult capital markets and lining up M&A funds

Merger integration execution

Balancing risk tolerance with changing business model and M&A opportunities