CFO VISION 2014

Navigate your world

November 19–21 | Washington, D.C.
Business Chemistry®
The science behind the art of relationships

Kim Christfort
Director
Deloitte LLP
The Four Types

Take a moment to determine the Business Chemistry type with which you most closely identify.

Driver
Drivers like logic and deep examination of systems.

Pioneer
Pioneers like variety, possibilities, and love to generate new ideas.

Integrator
Integrators like to connect on a personal level and figure out how the pieces fit together.

Guardian
Guardians like concrete reality; they respect what is tried and true.
WHY BUSINESS CHEMISTRY?
Our Focus

UNDERSTAND YOURSELF

UNDERSTAND OTHERS

ADAPT YOUR STYLE
UNDERSTAND YOURSELF
1. Gather at a flip chart in the room with other people of your primary type.

2. Make two lists
   - Your loves: what you have in common that defines you
   - Your bugs: what you commonly dislike.

3. Debrief the group on the outcomes of each of the four types.
Pioneers are...

- Novelty-seeking
- Expressive
- Creative
- Adaptable
- Big-picture thinkers
- Brainstormers
- Imaginative
- Collaborative
- Energetic
- Generous
- Outgoing
- Expressive
- Creative
- Collaborative
- Big-picture thinkers
- Imagination
- Unstructured
- Intuitive
- Nonlinear thinkers
- Doers, not planners
- Risk-taking
- Large social network
- Spontaneous
- Disinterested in details
- Not methodical
...but they can also be

- expressive
- adaptable
- novel-seeking
- susceptible to boredom
- energetic
- creative
- imaginative
- collaborative
- generous
- spontaneous
- reckless
- opportunistic
- predictive
- exploratory
- nonlinear thinkers
- large social network
- unstructured
- intuitive
- disinterested in details
- doers, not planners
- realistic
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Richard Branson

Founder of Virgin Group
and over 400 other businesses

“A business has to be fun and exercise your creative instincts.”

- “I’ve always had the urge to live life to its full.”
- “I never get the accountants in before I start up a business. It’s done on gut feeling.”
- “I have always thought rules were made to be broken.”
- “…in jail or a millionaire”
## Guardians are...

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<td>• disciplined</td>
<td>• frugal</td>
</tr>
<tr>
<td>• thorough</td>
<td>• slow speakers</td>
<td>• want tried and true</td>
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  • structured | • calm  
  • less expressive | • fact-oriented  
  • not brainstormers |
| **closed-minded** | **rigid** | **stubborn** |
| Detail-oriented | Controlled | Risk-averse |
| • exacting  
  • meticulous | • disciplined  
  • slow speakers | • frugal  
  • want tried and true |
| **controlling** | **persnickety** | **exacting** |
| Planners | Respectful | Conventional |
| • deliberate  
  • logical | • hierarchical  
  • loyal | • less exploratory  
  • low novelty seeking |
Janet Yellen

Chair of the US Federal Reserve

“…our approach during this phase must be particularly dependent on information from incoming data.”

• ‘a cool head who prepares carefully ahead of time rather than making decisions on the fly’

• ‘Her personal style more closely resembles Mr. Bernanke’s soft-spoken manner.’

• “I did listen to her more carefully because she articulates her position in a way that you can follow it analytically,”…“Intuitions are useless. Janet’s conversation and her presentations were factually based, and that always got my attention.” – Alan Greenspan
Driver
Drivers are...

- mechanically/technologically savvy
  - understand rule-based systems (math, engineering, computers)

- exacting, intolerant of ambiguity
  - goal-oriented, intent on achievement over relationships

- intellectually creative
  - skeptical, daring, strategic intelligence

- tough-minded, driven
  - inventive, experimental, focused

- competitive
  - skilled with numbers

- logical
  - direct

- Drivers are…
...but they can also be

- unapologetic
- uncompromising
- demanding
- impatient
- more mind blindness
- less empathetic
- tough-minded, driven
- aloof
- intellectually creative
- skeptical, daring, strategic intelligence
- mechanical/technologically savvy
- understand rule-based systems (math, engineering, computers)
- skilled with numbers
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- competitive
- logical
- direct
The Commander
Extroverted
Disciplined
Energetic
Punctual
Realistic

The Scientist
Introverted
Daydreamers
Musical
Skilled at recognizing patterns
Web thinkers

Outward/Inward Flavors of a Driver

Mechanically/technologically savvy
Understand rule-based systems (math, engineering, computers)

Exacting, intolerant of ambiguity
Goal-oriented, intent on achievement over relationships

Intellectually creative
Skeptical, daring, strategic intelligence

Inventive, experimental, focused

Tough-minded, driven

Skilled with numbers

Competitive
Logical
Direct

20 BUSINESS CHEMISTRY
Irene Rosenfeld

“Patience is probably my most challenged virtue. I have a great sense of urgency.”

Chairman and CEO, Mondelēz International

- Listed as the #2 most powerful woman by Forbes magazine in 2010.

- Publicly ‘brawled’ with Warren Buffett, moving forward with a $19B acquisition of Cadbury after he called it ‘dumb’ and sold 33 million shares of Kraft.

- Goal growing up was to become the President of the United States.

- Hobbies include tennis, biking and rollerblading. “Endorphins are a powerful thing.”
*Integrators self-report that they are not creative, although others say they are excellent at making connections and drawing non-obvious conclusions, which many think of as creativity.*
integrators self-report that they are not creative, although others say they are excellent at making connections and drawing non-obvious conclusions, which many think of as creativity.
Outward/Inward Flavors of an Integrator

The Teamer
Outward-focused
Traditional, disciplined
Hierarchical
Energetic
Realistic
Dutiful

diplomatic
consensus-oriented

The Dreamer
Inward-focused
Changes mind often
Daydreamers
Introspective
Scattered

emotionally expressive
verbal
empathic

big-picture thinker
nonlinear

optimistic
helpful

creative
non-competitive

risk-averse

patient

trusting

consensus-oriented

value relationships

contextual

*integrators self-report that they are not creative, although others say they are excellent at making connections and drawing non-obvious conclusions, which many think of as creativity.
Tony Hsieh

Founder and CEO, Zappos

“We implement this partnership mentality in many ways at Zappos, but it all begins with the Golden Rule: Treat others as you'd like to be treated.”

• “I really prefer to focus on just building relationships and getting to know people as just people, regardless of their position in the business world or even if they're not from the business world.”

• Stresses the importance of relationships and communication

• “I think of our vendors as friends. We enjoy each other's company. We respect and value our relationships, and want to see each other do well.”

• While at Harvard, Hsieh managed the Quincy House Grille selling burgers to the students in his dorm; his best customer Alfred Lin, would later be Zappos’ CFO and COO.
Role of Introversion and Extroversion
Four Faces of Finance
The Catalyst is an agent for change, focused on establishing a value attitude throughout the organization. The Catalyst gains business alignment to identify, evaluate, and execute strategies, and serves as a business partner to other decision makers, including business unit leaders, the chief information officer, and sales and marketing leaders. The Catalyst establishes a structure of enterprise accountability for results, drives enterprise execution, and gains acceptance from business management as the organization's catalyst.

- Provide business partners with financial performance measurement insights that enable disciplined decision making and foster an environment of accountability.
- Develop capabilities, tools, and processes that enable effective short- and long-term business and financial plans.
- Drive business/supporting functions to maintain financially beneficial arrangements with external business partners.
- Drive continuous improvement and efficiency through strategic and innovative thinking.
- Lead by example as owners invested in the process and accountable for results to instill quality and financial responsibility.
Four Faces of Finance – Strategist

The Strategist is a director, focused on defining the future of the company to enhance business performance and shareholder value. The Strategist provides a financial perspective on innovation and profitable growth; leverages this perspective to improve risk awareness, strategic decision making, and performance management integration; and translates the expectations of the capital markets into internal business imperatives.

- Translate capital market expectations into internal business imperatives that drive financial performance (GM%, EPS).
- Provide financial leadership in driving business direction, performance, and economic value throughout the enterprise.
- Provide strategic clarity and alignment by establishing a standard set of financial performance metrics and processes across the enterprise.
- Drive effective resource (capital and investment) allocation across investment activities.
- Bring critical financial perspectives to the table as an integral, strategic business partner for decision making.
Four Faces of Finance – Steward

Accounting, control, risk management, and asset preservation are the province of the Steward. The Steward must ensure company compliance with financial reporting and control requirements. Information quality and control rationalization are top-of-mind issues for the Steward.

- Drive an environment of accuracy, transparency, consistency, and timeliness of financial information to support internal and external reporting requirements.
- Use common financial language and set financial standards across all levels of the organization to achieve a consistent global view of business performance.
- Implement and maintain effective policies that optimize control, accountability, and efficiency.
- Enforce high ethical standards and maintain compliance through a strong, global control environment.
Four Faces of Finance – Operator

Efficiency and service levels are the primary areas of focus for the Operator. The Operator must dynamically balance cost and service levels in delivering on the finance organization's responsibilities, and adapt finance’s operating model as necessary. Talent management, offshoring, and shared-service decisions are often the key issues to be addressed.

- Provide a robust, global information environment enabled by the appropriate data (single source of the truth), measurement systems, and financial data architecture.
- Leverage the right roles, responsibilities, and skill sets along with automation to enable efficiencies, scale, and risk management.
- Instill simplified, standardized, disciplined global financial processes to support business needs and individual accountability.
- Continuously enhance accessibility of data to produce accurate and insightful financial/operational metrics and analysis.
- Optimize and balance resources across opportunities and risk levels to maximize return on investment.
Below are traits that are shared by adjacent types; individuals usually have the least in common with the type opposite them.

- Rapid Decisions
- Risk Tolerant
- Takes Charge
- Tolerates Conflict

- Optimistic
- Spontaneously Generous
- Big Picture Thinkers
- Emotionally Expressive

- Skeptical
- A Planner
- Concrete
- Emotionally Contained

- Deliberate Decisions
- Risk Averse
- Introspective
- Avoids Conflict
SPEED
“HUNCHING”
• “People who know him well describe him as a thoughtful, data-driven executive who knows how to listen and who can be charming and funny in small group settings.”

• To colleagues he appears “so calm,” he is “nearly unreadable.”

• Known for his “workaholic nature, thoughtful demeanor and no-nonsense, methodical style.”
• **Known for her “occasionally brusque style.”**

• **Planned to take a maternity leave of a few weeks and “work throughout it.”**

• “I realized in all the cases where I was happy with the decision I made, there were two common threads: Surround myself with the smartest people who challenge you to think about things in new ways, and do something you are not ready to do so you can learn the most.”

CEO, Yahoo!

Marissa Mayer
Virginia (Ginni) Rometty

Chairman, President, and Chief Executive Officer of IBM

• (In response to her business strategy) "Ask me what I believe first, that's a way more enduring answer."

• Recognized for her personal approach to leadership – leads from both her head and her heart

• “I've made lots of mistakes…It's either when I didn't move fast enough on something, or I didn't take a big enough risk.”
ADAPT YOUR STYLE
An ounce of action is worth a ton of theory.

- Ralph Waldo Emerson
The 4 Business Chemistry Languages

People  Goals  Stability  Novelty
What Works?

Identify a challenging relationship.

1. Think about an important professional relationship of yours, whether strong or challenging, existing or desired.

2. Develop a hunch about that individual’s primary personality dimension.

3. Move to a corner with others who have identified a target relationship with the same dimension as yours.
1. Each of you at the corner is thinking about a target relationship with similar personality dimensions.

2. Take about 10 minutes to discuss your target partner types:
   - How did you know the person was that type?
   - What were the challenges with a person of this type?
   - What worked or didn’t work with that person?
   - What can you do differently in the future?

3. Determine as a group your top two takeaways.

*Share ideas about improving interactions to enhance your relationships.*
Strength in Diversity
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<td>“Patience is probably my most challenged virtue. I have a great sense of urgency.”</td>
<td>Kraft CEO On Success and Her Favorite Snack <a href="http://www.forbes.com/2009/08/18/kraft-leadership-management-forbes-woman-power-women-09-irene_rosenfeld.html">http://www.forbes.com/2009/08/18/kraft-leadership-management-forbes-woman-power-women-09-irene_rosenfeld.html</a></td>
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