



Corporate
Renaissance
Group



WELCOME!
CFO BOOTCAMP
April 15-2020



Corporate
Renaissance
Group



SESSION #1:
1-2PM ET

**BECOMING A
MODEL CFO**



10 min break



SESSION #2:
2:10-3PM ET

**FROM CFO TO
CEO**

HOUSEKEEPING



Select slides & reference material can be downloaded:
crgroup.com/CFO-Bootcamp



Get your questions in!



Webinar is being recorded and will be posted and sent this week.



This session qualifies for 2.0 continuing professional development hours.
Certificates will be available for download after the event.



Corporate
Renaissance
Group

ABOUT US:

- CRGroup was established in 1989 – HQ Ottawa
- Microsoft Gold Partner and leading provider of Microsoft Solutions
- Team of highly tenured staff certified on leading Microsoft Solutions
- Focus on end-to-end business transformation



Transform Your Business

End-to-End Support for Microsoft Technologies

- Dynamics
- Dynamics 365
- Office 365 Power BI
- Power Apps
- SharePoint
- Teams

Leading Systems for Budgeting & Planning

- Board
- Adaptive Insights
- Rapidstart
- idu-Concept

Top Human Capital Management Solutions

- Dynamics 365 HR
- CRG emPerform
- Managed Engagement & 360° Surveys

www.crgroup.com

CRGROUP HIGHLIGHTS:



COMPANY

Founded: 1989
Offices: Canada, US, Caribbean, South Africa, India, Hong Kong
Now Part Of: Quisitive - **Microsoft US Partner of the Year 2019, all things AZURE**



CUSTOMERS

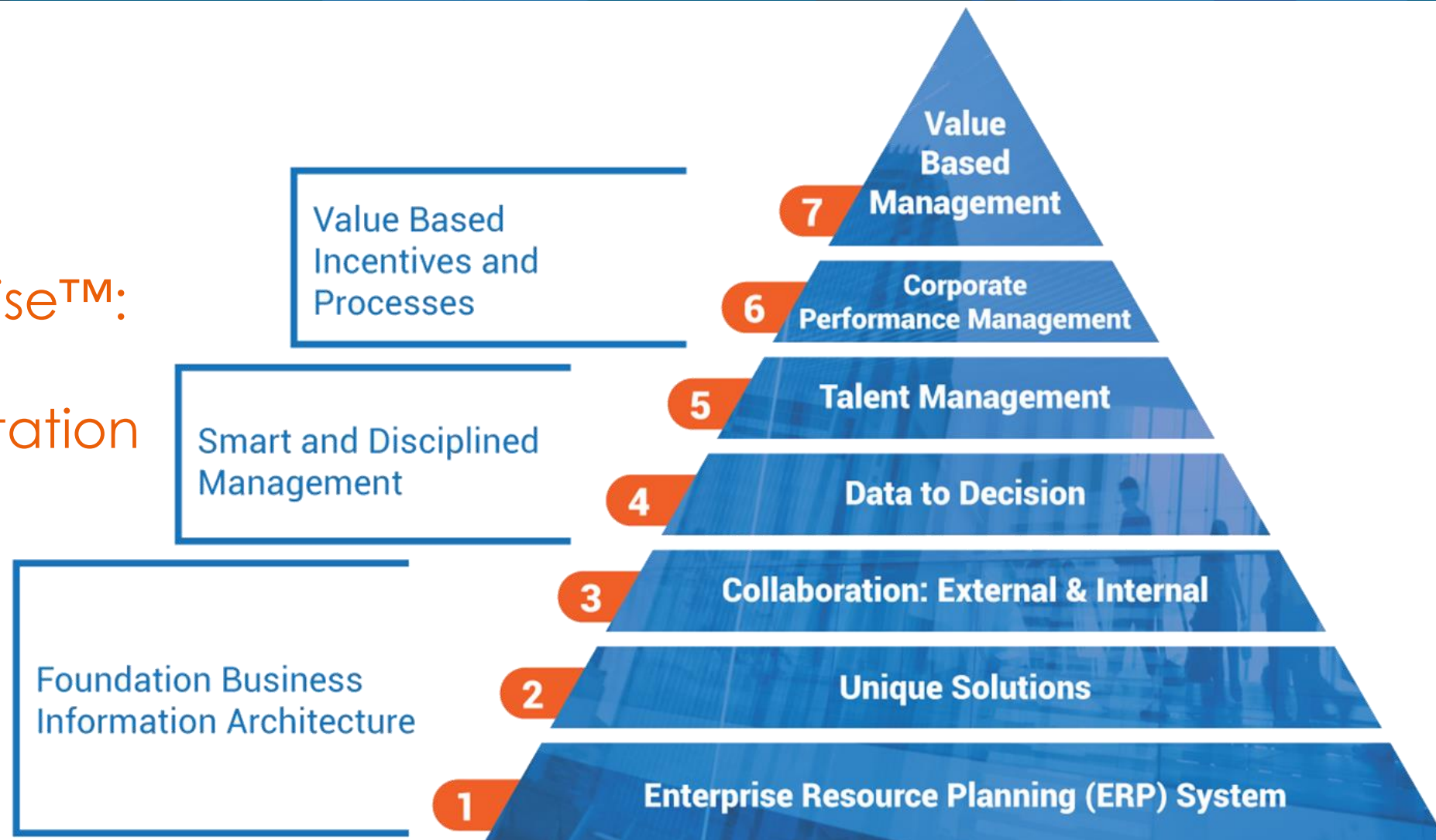
Number: 4,000+
Revenue: \$5M to \$ billion



TEAM

Strength: 70+ team members along with many associates
Education: Business & Technology
Active Partners: 300+

Level 7 Enterprise™: Our Implementation Framework



Level 7™ Enterprise Solutions

In the Cloud or On-Premise



ERP

Dynamics AX
Dynamics GP
Dynamics NAV
Dynamics 365

BI/Analytics

Board
Microsoft BI/SQL Server
Power BI
Tableau
Microsoft Azure
Data Warehouse

Unique Solutions

Cost Allocator
FlexABM
Add-Ons for Dynamics GP
Kemp Load Balancers

Talent Management

CRG emPerform
Dynamics 365 for Talent
Confidential Insights

Collaboration & Productivity

Dynamics 365
Dynamics CRM
SharePoint
Office 365
Atlassian

CPM/Budgeting

Board
Adaptive Insights
Rapidstart
IDU Concept

Value Based Management (VBM)

Strategy and Planning
Executive Compensation
Enterprise Dashboards
Activity Based Costing
Shared Services

Theme: Best fit and value for money

MEET YOUR PRESENTER: Dr. Vijay jog

An interesting background:



- Chemical engineering degrees, Bachelors and masters (McGill)
- MBA (marketing and finance) and Ph.D. (finance) from McGill
- Worked as market research consultant for Bell Canada in late 70s early 80s
- After Ph.D., Worked for the Department of Finance on Mega projects and budgets (corporate tax policy) – 1982-1992 (full time and then part time)
- Started teaching at Sprott School - 1985 to 2017, retired as Chancellor Professor Emeritus and Distinguished Research Fellow
- Started CRGroup in 1989 www.crgroup.com
- Have consulted around the world for large and medium size enterprises and many government departments



Corporate
Renaissance
Group

We asked 'What are you most worried about in the coming months?'



I know you are focused on COVID-19 and cash flows/sustainability

- Doing multiple scenarios to forecast immediate term and near term cash flows
- Assisting the CEO and the Board to navigate through uncertainty

But this will pass... and we will all learn about importance of agility and how to demonstrate leadership in the “new normal”

Today I want to focus on how we as the “Office of the CFO” be ready to face the future in a systematic way - the Modern CFO

But I will talk about CFO agility and COVID-19 at the end





PART 1: BECOMING A MODEL CFO



Corporate
Renaissance
Group



Corporate
Renaissance
Group

Let me start with some evidence....

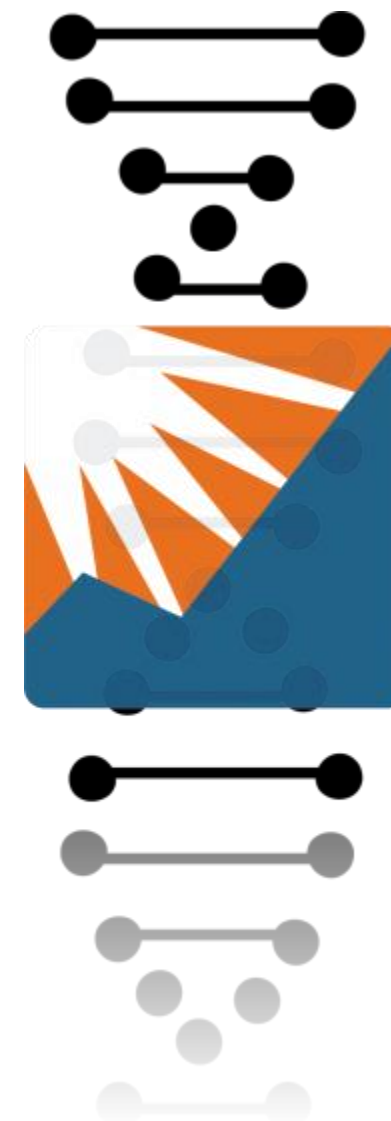
Various surveys by EY, Accenture, CFO research services, SAP, IBM Global CFO study, FEI

Based on responses from CFOs and CXOs of mostly \$100m - \$1 billion revenue firms

EY Study: DNA of the CFO (2016)

Surveyed 769 finance leaders across the Americas, Europe, the Middle East and Asia-Pacific from

December 2015 to February 2016, and conducted one-on-one interviews with 21 CFOs, listed above.



The CFO role is under **intense pressure**.

Ability to delegate

52%

Cannot focus on strategic priorities by delegating responsibilities because of lack of necessary skills in the finance team.

Role stretch

51%

Cannot focus on strategic priorities because of increasing operational responsibilities.

Tension between old and new

56%

Cannot focus on strategic priorities because of time spend on compliance, controls and cost.

Concern over finance function

47%

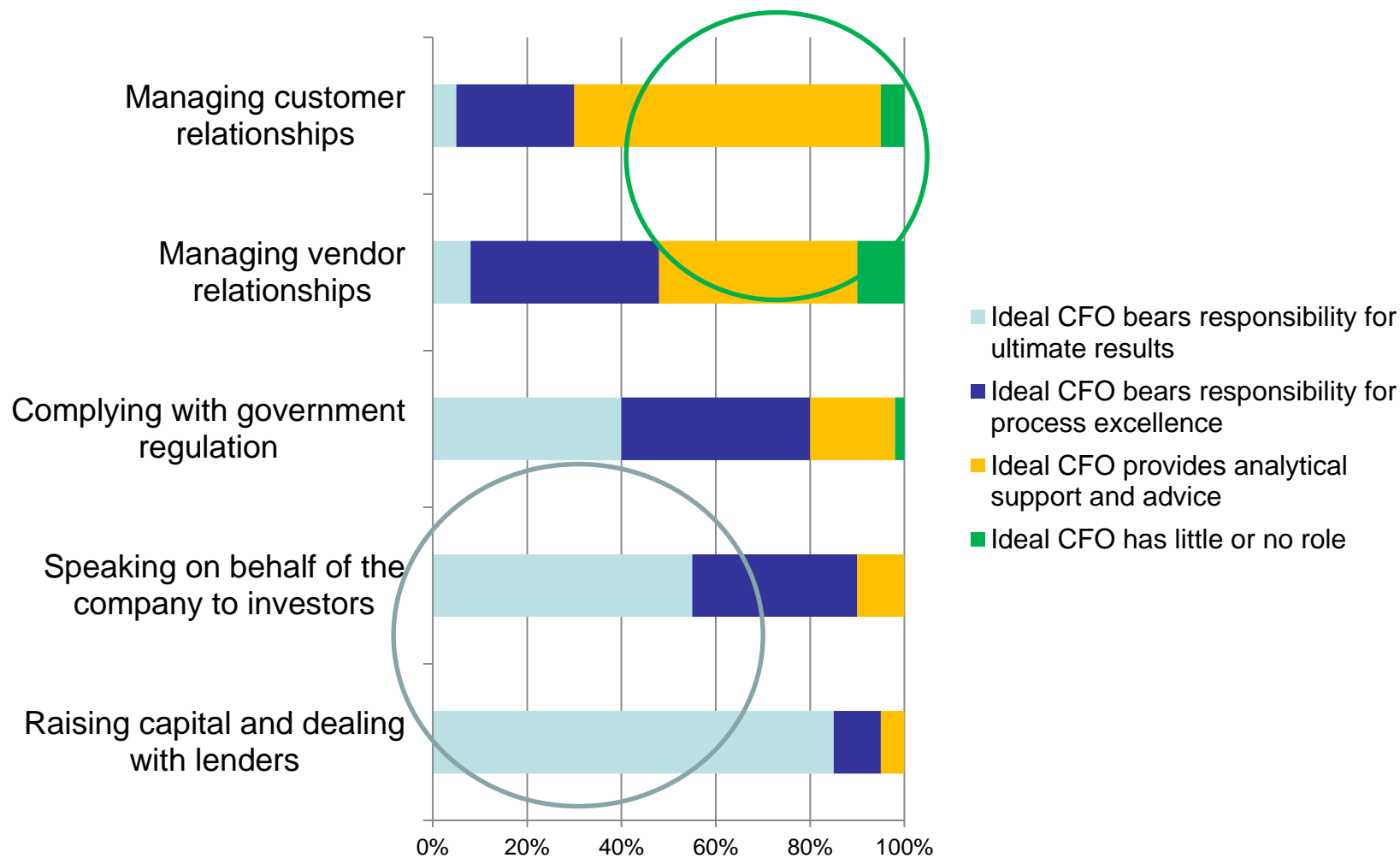
Say their current finance function does not have the right mix of capabilities to meet the demands of future strategic priorities.

In addition, there is continued and increasing pressure **and demands** from the C-Suite....

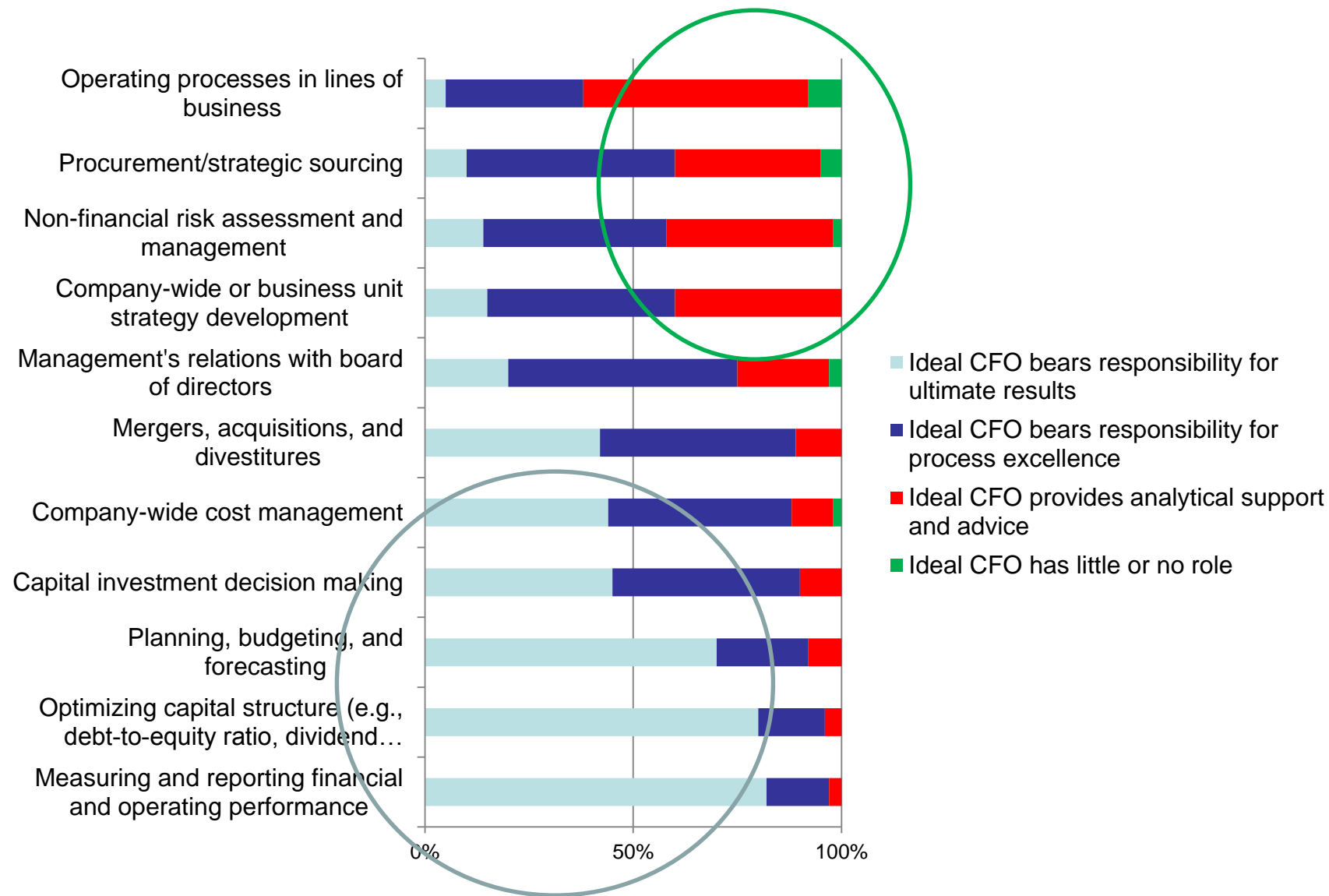
For finance to step up to the Plate



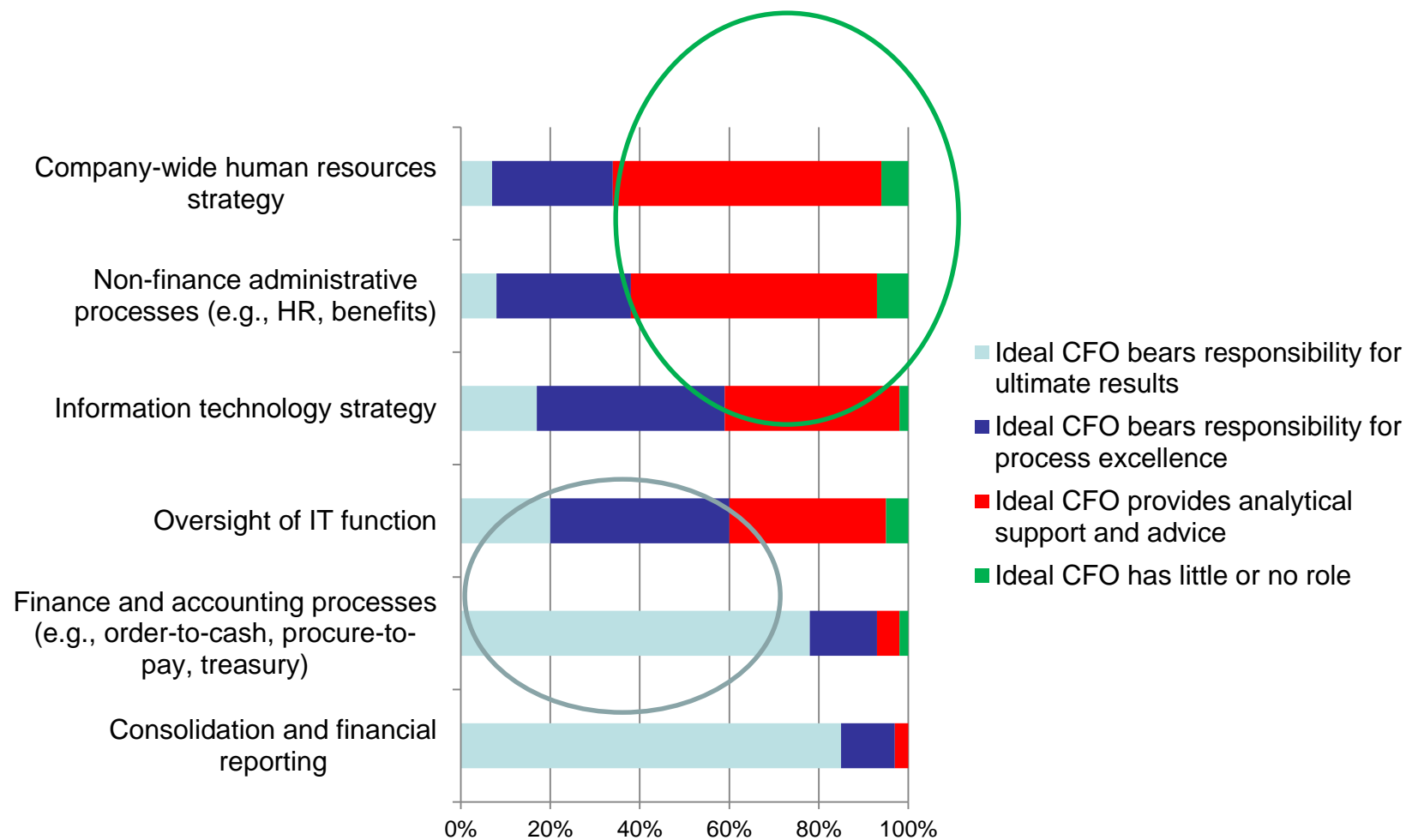
In your opinion, what role should the ideal CFO play in the following activities? External Activities



In your opinion, what role should the ideal CFO play in the following Enterprise activities?*



In your opinion, what role should the ideal CFO play in the following Finance Function activities?*



SOME KEY INSIGHTS...

Much is expected that goes beyond
the “traditional/transactional role”



SOME KEY INSIGHTS...

CFOs are expected to have a good understanding of **not only** the finance function **but also**:

- Strategy,
- the “business model”
- information integration
- strategic HR management
- analytical support beyond the traditional domain of finance and accounting





Corporate
Renaissance
Group

So what are the Implications for the CFO role?

Before You Do Anything - Evaluate Your CFO Team

Finance	Operations	Strategy
<ul style="list-style-type: none"> <input type="checkbox"/> Firm grasp of finance fundamentals, from treasury to audit <input type="checkbox"/> Deal-structuring expertise <input type="checkbox"/> Close handle on risks and controls <input type="checkbox"/> Confidence to act as the public face of the company on financial performance including sophisticated communication and influencing skills with stakeholders such as media 	<ul style="list-style-type: none"> <input type="checkbox"/> Highly informed about business operations and underlying company performance <input type="checkbox"/> Highly visible within the business with strong relationships with business unit leaders <input type="checkbox"/> Change management expertise <input type="checkbox"/> Ability to manage cost vs. service levels 	<ul style="list-style-type: none"> <input type="checkbox"/> Bring analytical discipline to strategic decisions and use financial perspectives to frame strategic decisions <input type="checkbox"/> Manage trade-offs between capital resources allocations <input type="checkbox"/> Big-picture counsel and guidance to CEO <input type="checkbox"/> Relationship and influencing skills to act as CEO's co-pilot <input type="checkbox"/> Ability to marry judgment with rational data-driven analysis <input type="checkbox"/> Deep understanding of industry's competitive dynamics

Next: Seven Steps to CFO Nirvana!

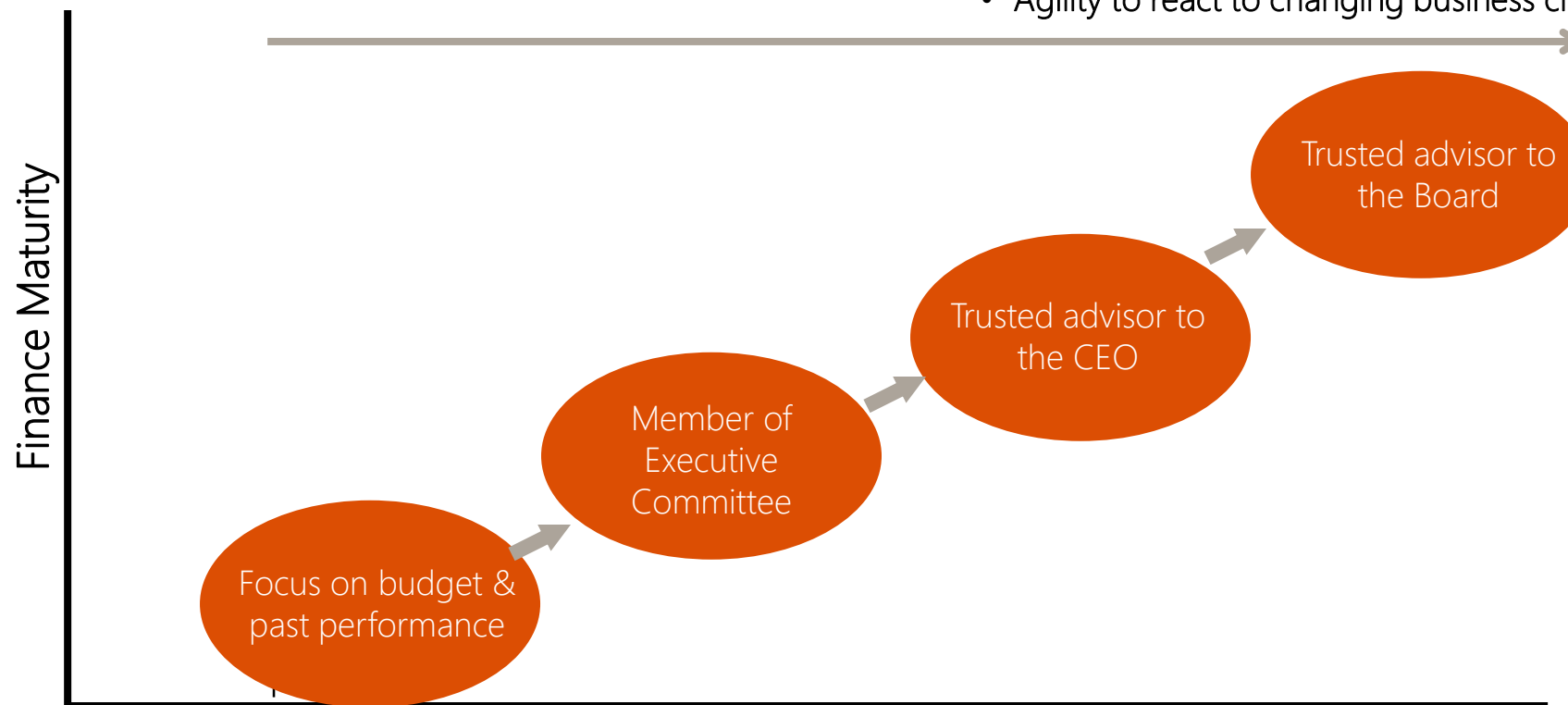
1. Create a vision for the CFO role
2. Move up the Value chain
3. Revamp the planning/budgeting process
4. Identify value creating growth – organic and/or inorganic
5. Provide 360 view of key risks and enterprise resiliency – ERM platform
6. *Become an “information builder” - Transform Digitally!*
 - *Leverage technology to reduce friction*
 - *Provide Insightful reporting/analytics – actionable dashboards*
 - *Design and link Strategy & strategic map to metrics*
7. Design a performance based incentive system from top to bottom linked to metrics and KPIs

1. CFO Vision - Go Right!

- Budget control
- Focus on numbers
- Report Generator

- Value Drivers
- Shareholder value metrics
- High performing finance team

- Strategic understanding of the business
- Deep understanding of the business models
- From G/L to sub ledgers and finance to MD view
- **Agility to react to changing business circumstances**

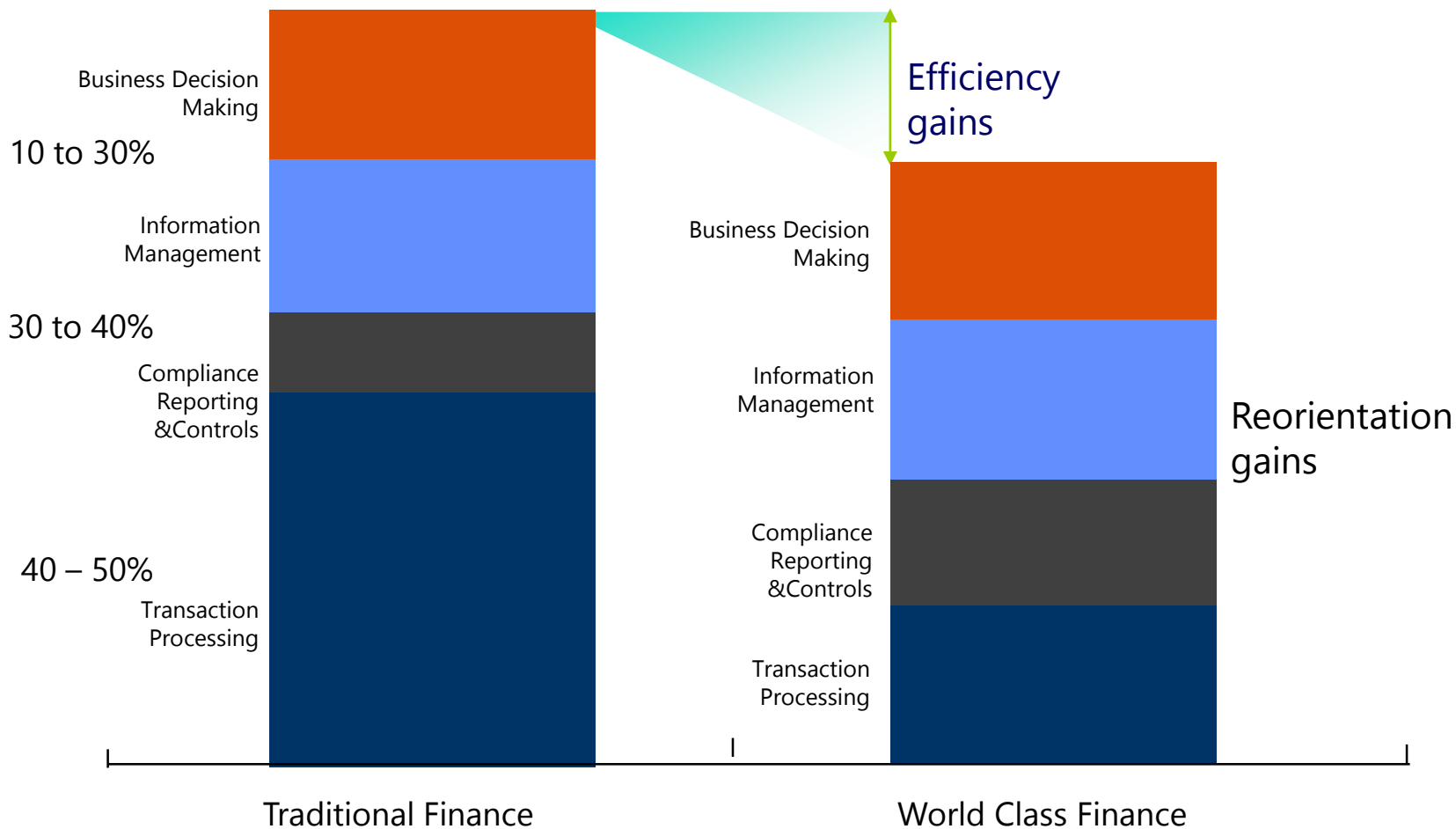


From Elemental/operation to Tactical/Strategic Role

2. Move Up the Value Chain!

Do you know how your finance resources are structured in each of these four quadrants?

Are you technology enabled?
Single version of the truth – on our finger tips



3. Radically Change the Planning/Budgeting/Forecasting Process...

- Top down (Strategy/business Model/value drivers)
- Triggered by material trends or events – not calendar (not annual but 4Q rolling forecasts)
- Set targets and allocate resources based on “volume” – 2 step budgeting process
- Use technology and it is not Excel!
- **Disassociate it from bonuses/incentives setting**

Actually – COVID-19 has woken all of us up as to how agile and robust this has to be!

4. Focus on Value Creating Growth

Organic and Inorganic Growth



4A: How to Create Value Creating Growth?

Organic (no premium is being paid)	Inorganic (A premium is being paid)*
<p>1. Business as Usual (BAU) Value - Margin and asset utilisation improvements arising either from price/quantity/cost: - Minor new CAPEX (see next slide)</p>	<p>3. Acquiring new business in a <u>related</u> business – need to buy/invest (new brands/new channels)</p>
<p>2. <i>Augmenting Business as Usual Growth through strategic CAPEX investment</i></p>	<p>4. Acquiring new business in an <u>unrelated</u> business - DIVERSIFICATION</p>

* Adjacency/Profit from the Core

4B: Assess & Leverage Core Competencies

- Understand the most differential, strategic and unique capabilities that can be augmented/leveraged/expanded
- Understand and Connect with the most potentially profitable, franchise customers or suppliers – see any vertical adjacencies
- Leverage any other critical strategic assets (patents, brand names, position at a control point on the network, knowledge, etc.)



5. Enterprise Risk & Resiliency (ERM)

Three Key Questions:

What could go wrong that will significantly impact success?

What can we do to protect the enterprise against it?

If it still happens, what is our plan B?

COVID -19 has woken all of us up as to how deep this should be
in the presence of a Systemic event!

ERM - Some Critical Actions

- Minimise dependence (and power) on one specific "stakeholder" – Customers, channels, Suppliers,
- Manage environmental footprint
- Manage ethical breakdown possibilities
- Identify both Hard (key plant) and soft assets (e.g., IP, succession planning)
- Insure, hedge, diversify when you can
- Always prepare Plan B – things happen!
- Create a well functioning ERM platform

COVID -19 - a Systemic Event!



Risk Management Actions: Create a Risk Tolerance Model

Impact	Probability		
	High	Medium	Low
Critical/ Severe	Extensive Management Essential	Considerable Management Required	Reasonable Management Required
Material	Management Required	Management Effort Worthwhile	May Accept but Monitor
Minor/ Limited	Manage and Monitor	Accept but Monitor	Accept Risk

Sometimes referred to as a 9 – box ERM play book

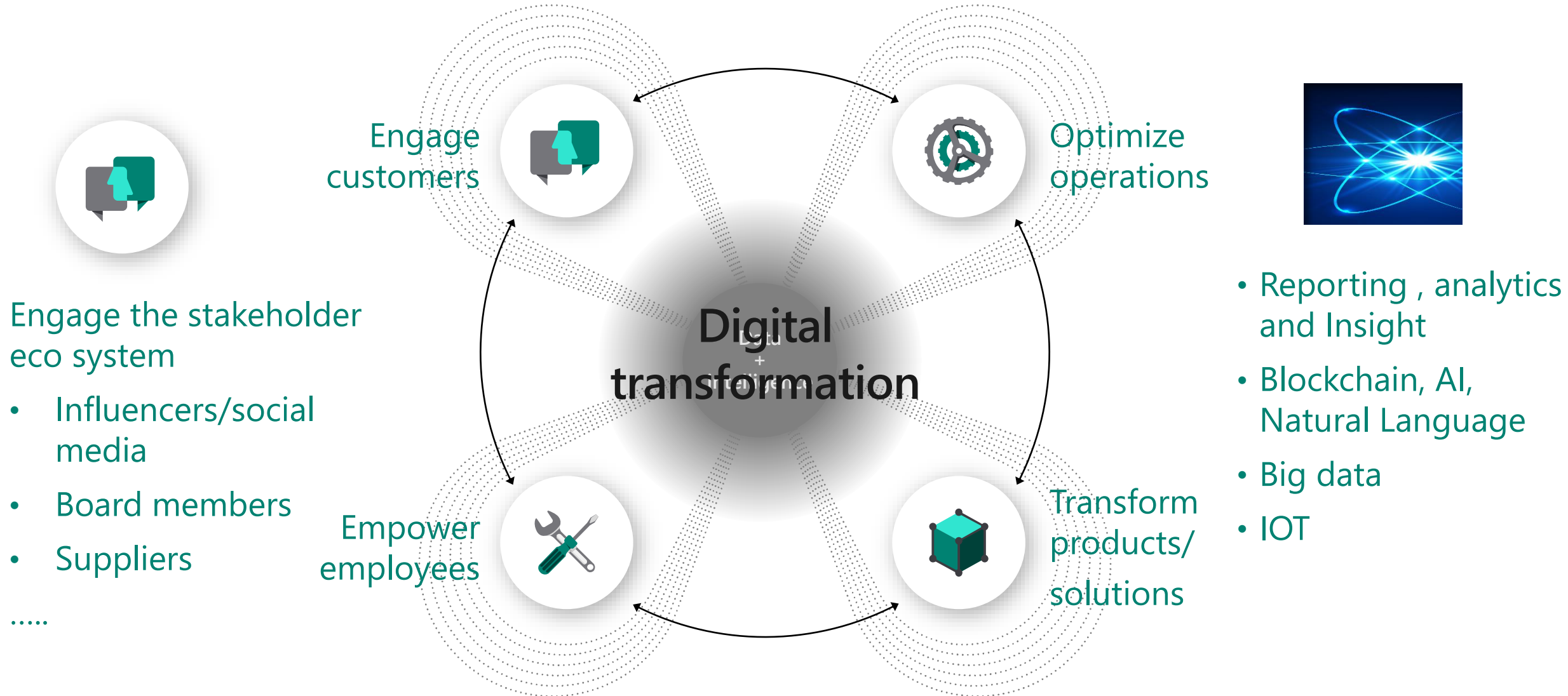
Risk Management Actions: COVID-19

Impact	Probability			We did not plan for !
	High	Medium	Low	VERY VERY LOW
Extremely critical/Severe				COVID?? A black swan event
Critical/ Severe	Extensive Management Essential	Considerable Management Required	Reasonable Management Required	
Material	Management Required	Management Effort Worthwhile	May Accept but Monitor	
Minor/ Limited	Manage and Monitor	Accept but Monitor	Accept Risk	

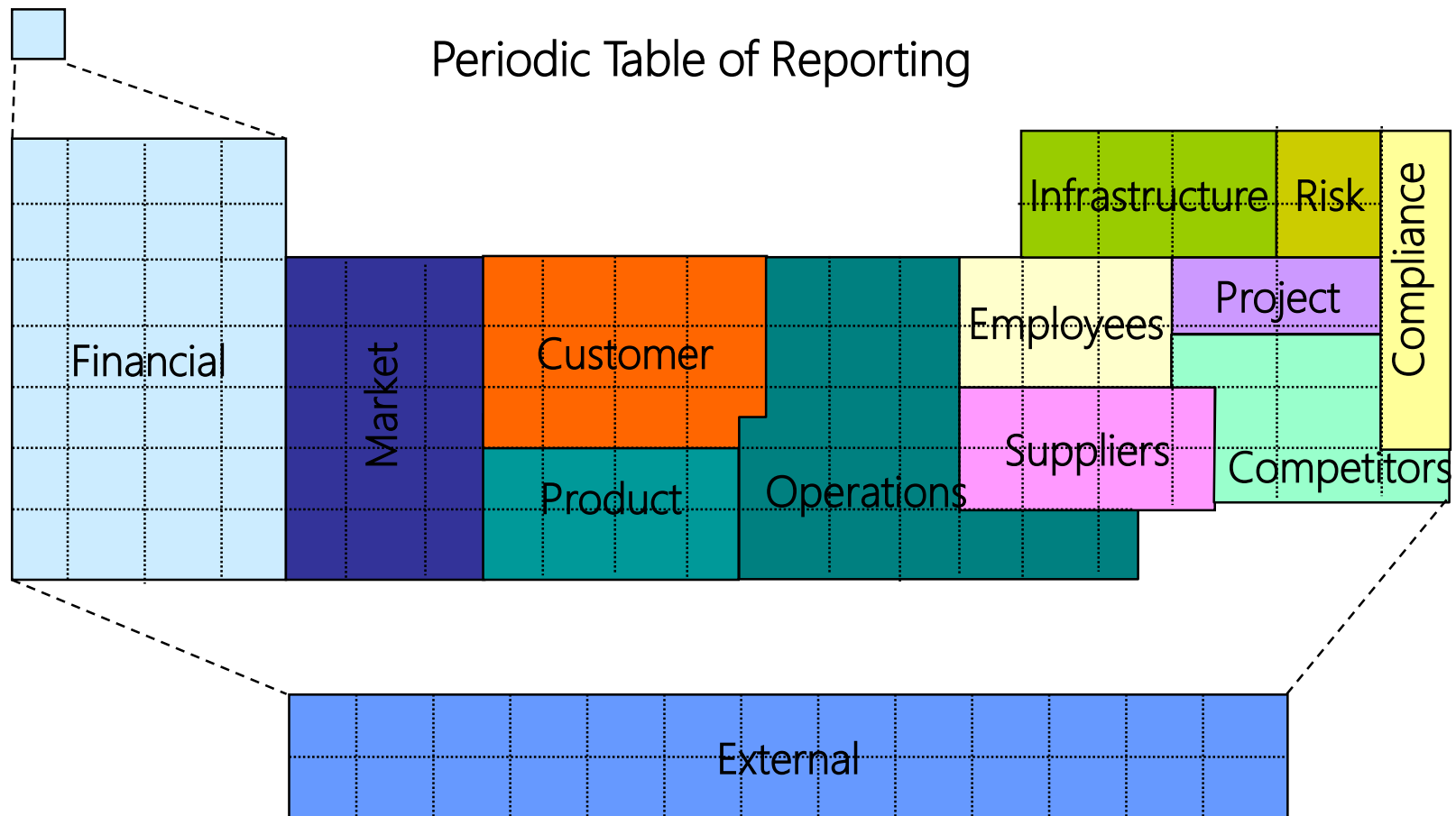
Next: Seven Steps to CFO Nirvana!

1. Create a vision for the CFO role
2. Move up the Value chain
3. Revamp the planning/budgeting process
4. Identify value creating growth – organic and/or inorganic
5. Provide 360 view of key risks and enterprise resiliency – ERM platform
6. ***Become an “information builder” - Transform Digitally!***
 - *Leverage technology to reduce friction*
 - *Provide Insightful reporting/analytics – actionable dashboards*
 - *Design and link Strategy & strategic map to metrics*
7. Design a performance based incentive system from top to bottom linked to metrics and KPIs

Embrace Digital Transformation - Reduce Friction



Insightful multi dimensional reporting through a single lens: Go beyond G/L and financial reporting



Create an Enterprise Cockpit

Strategy and Strategy Maps

KPI and metrics
arising from levers of success

Initiatives and projects
arising from the strategic intent

Budgets and 4Q Rolling forecasts
To gain insights about expected
financial performance
(Typically GL view)

Multi dimensional insights on
geography, business line and
functional performance
Including drill downs to get deeper
insight

Performance reporting
Link to incentives

Intent: Engineering a High-Performing Enterprise

Level 7 Enterprise™:
Our Implementation
Framework



Why is This So Difficult?

OPERATIONS



HUMAN RESOURCES



SOCIAL MEDIA



CRM & ECRM



ISLANDS OF DATA

**PROCUREMENT
PRODUCTION**



CALL CENTER



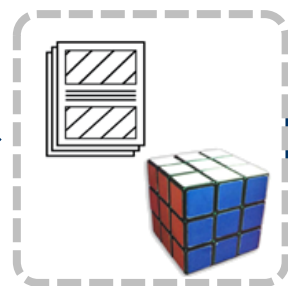
BENCHMARKS



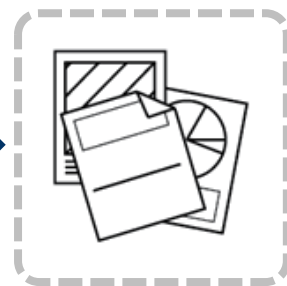
Cannot snap your fingers to make it happen....



- Dirty, messy & clumsy data
- Quantitative and qualitative
- Data in multiple systems



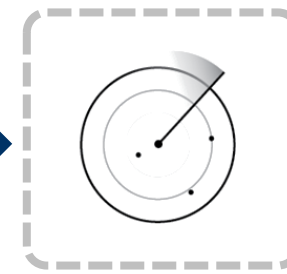
- Organize data from multiple sources without duplications and redundancy
- Conduct modeling



- Budgeting and forecasting
- BI
- Predictive analytics
- Strategy maps
-



- Reports
- Charts / graphs
- Briefing books
-



- Appreciate, explain (annotate)
- exception based alerts
- User self service: push versus pull
- Collaborate & communicate

Quest for a single platform

Why is This So Difficult?

Fragmented approaches
DO NOT work



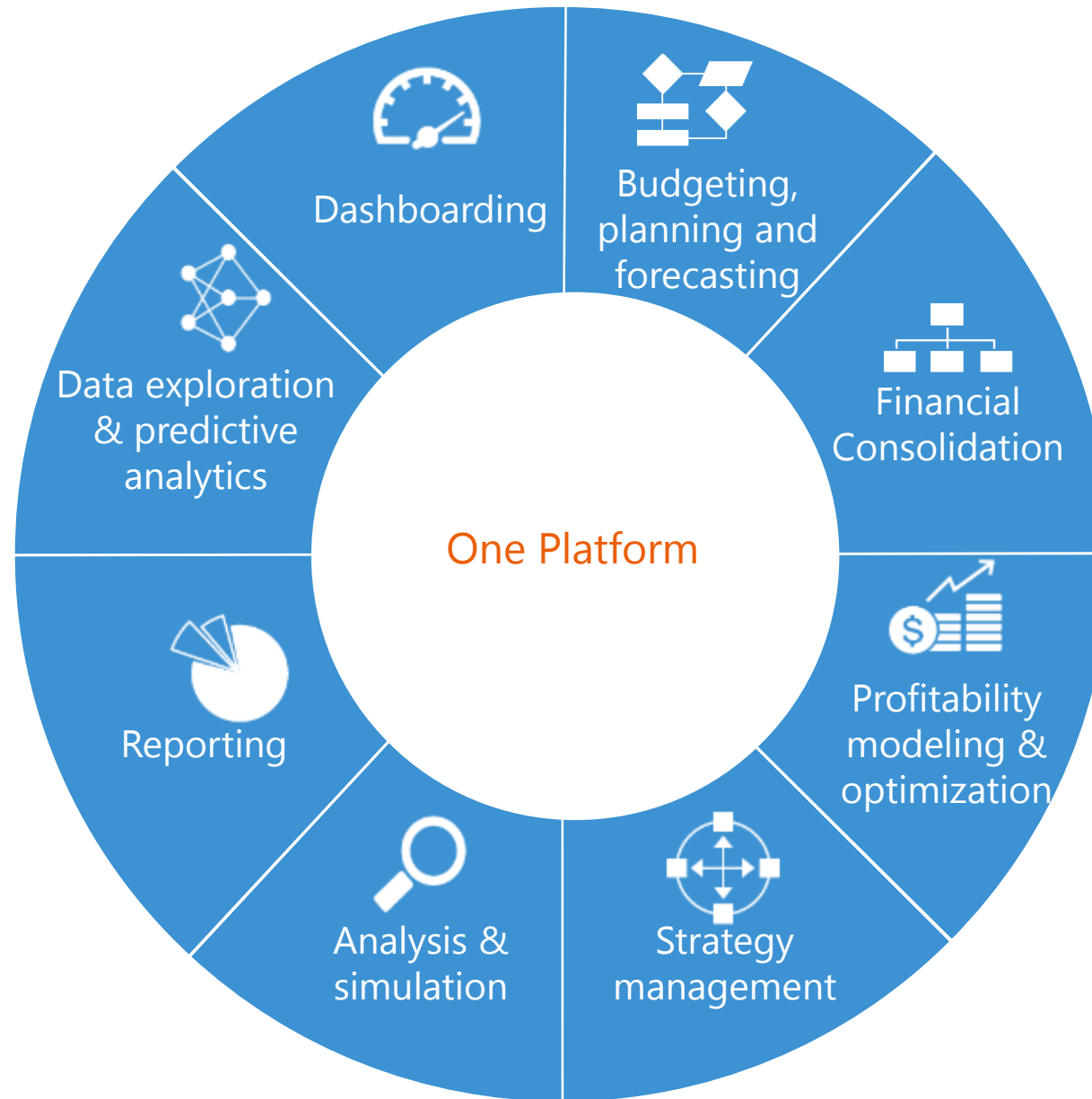


Therefore, we may want to consider a
unified platform

What would it look like?

*If we get time, we can talk more about
in in the Q&A*

The New Normal

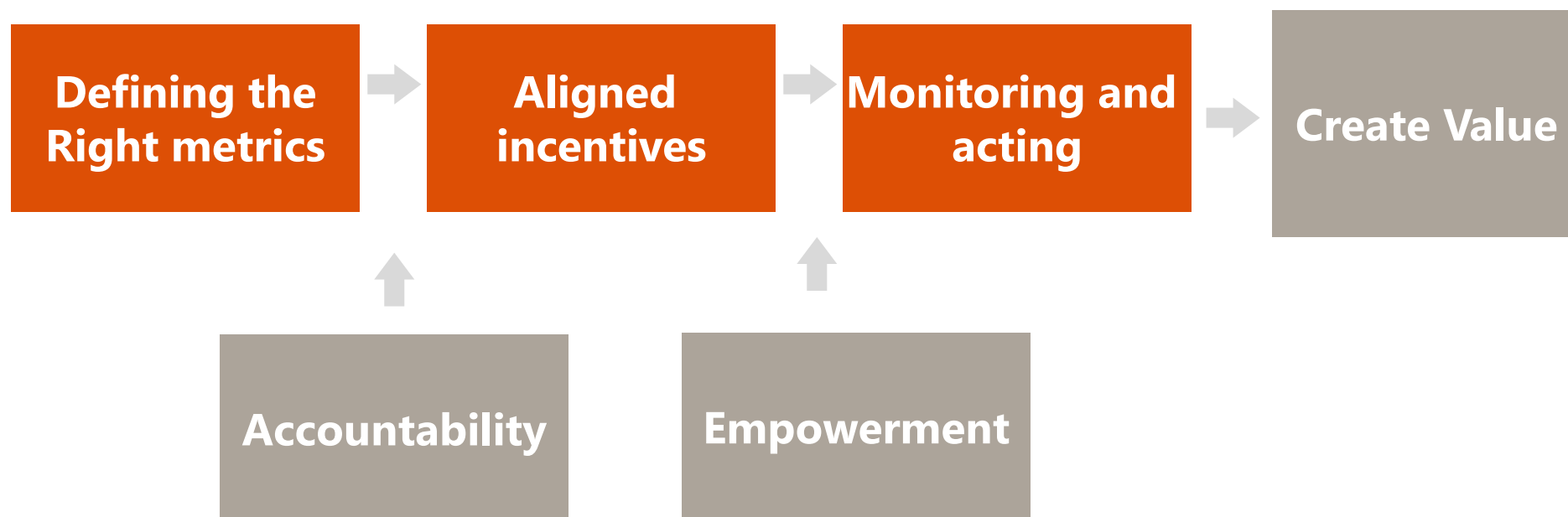


Management Nirvana

Many Benefits

- Same underlying data layer
 - Independent of multiple systems – all can be linked
 - Same platform for all key decisions
 - Ease of learning and creating internal COEs
 - Ease of collaboration
 - Satisfy both report consumers and business analysts
 - Highly cost effective and efficient
-
- Single version of the truth irrespective of the DM
- And
- **Provide agility**

7. Design a Performance Based Metrics Driven Incentive System



Essentials of a Good Incentives Design

- Move away from purely accounting based measures, especially those which ignore capital
- Move away from budget based design
- Move away from bonuses which depend only on a single year's financial performance
- Differentiate between controllable and uncontrollable factors (e.g., oil price, FEX)
- Ensure that the metrics are not only financial but have specific line of sight non-financial measures
- May consider both penalties and rewards
- Must be simple and unambiguous – train – train - train
- Must be easily monitored and intuitive

What is best practice?

The fundamental principle

- Must align strategy execution and value creation with managerial incentives
- Compensation based on value creation modifies behavior
- Need to have non- financial, leading, line of sight and controllable indicators in the incentive design that also provide an easy linkage to key parameters of strategy



Is there Evidence that Good Management Practices Matter?

Yes. Company success is directly dependent on

- 1. Monitoring:** How well do companies monitor what goes on inside their firms and use this for continuous improvement;
- 2. Targets:** Do companies set the right targets, track the right outcomes, and take appropriate action if the two are inconsistent?
- 3. Incentives:** Are companies promoting and rewarding employees based on performance, and trying to hire and keep their best employees?

It is also well known that, on average, family owned and managed firms are either badly managed and/or generate poor economic returns.

This is all great but...

- What about dealing with the Immediate term – COVID-19?
- What is the role of the Office of the CFO?





7 Steps For Demonstrating CFO Leadership & Agility AND COVID-19

1. **Leverage core competency – *built on our deep knowledge of the business drivers***
2. **Stay true to company vision, mission and core values – *can't sacrifice long term for today***
3. **Communicate effectively & frequently -- everyone is looking for guidance of cash flow implications**
4. **Deliver focused stakeholder communication - customized messaging**
5. **Use the right technology (may be too late) - if it is excel then it can't provide agility in fluidity**
6. **Evaluate leadership compensation structure - who sacrifices what from the top to the bottom**
7. **Nurture your people - show “one to one” flexibility for at least your key people**

<https://blog.crgroup.com/7-steps-for-cfo-leadership-covid-19/>



Corporate
Renaissance
Group

Let's Recap...



CFO's are under pressure but also in high demand....

- Finance *value – add is being questioned??*
- *What is desired:*
 - *Financial mind set to a business model mind set – enterprise scorecard not just financial scorecard*
 - *Participation in strategy and strategy execution is demanded*
 - *Data to Information – One version of the truth (IM) **and at Speed and scale***
 - *Demand for “step up to the plate”*

Knowledge Implications...

Trusted advisor

- Strategy and Business model
- Value creation and Value drivers
- Scorecards/Dashboards/Non-financial metrics
- CPM/Business Analytics (all areas)
- Excellence in human capital
- **Deep and right investment in technology of management – digital transformation - Critical for Agility**
- Build enterprise maturity in decision making!

Questions?





LET'S BREAK FOR 10 MINS.
WE WILL RETURN FOR
SESSION #2: FROM CFO TO CEO



Corporate
Renaissance
Group



PART 2: FROM CFO TO CEO KNOWING WHEN AND HOW TO MAKE THE TRANSITION



Corporate
Renaissance
Group

AGENDA:

Assumptions about you
You have gone right....

The role of the CEO

CEO DNA

Bridging the Gap

Introspection

Action items

Reflections

Check list



Corporate
Renaissance
Group

And what is expected to be
considered a trusting CFO?

Since:

A CFO can't be a CEO
unless one gains trust of
the Board members

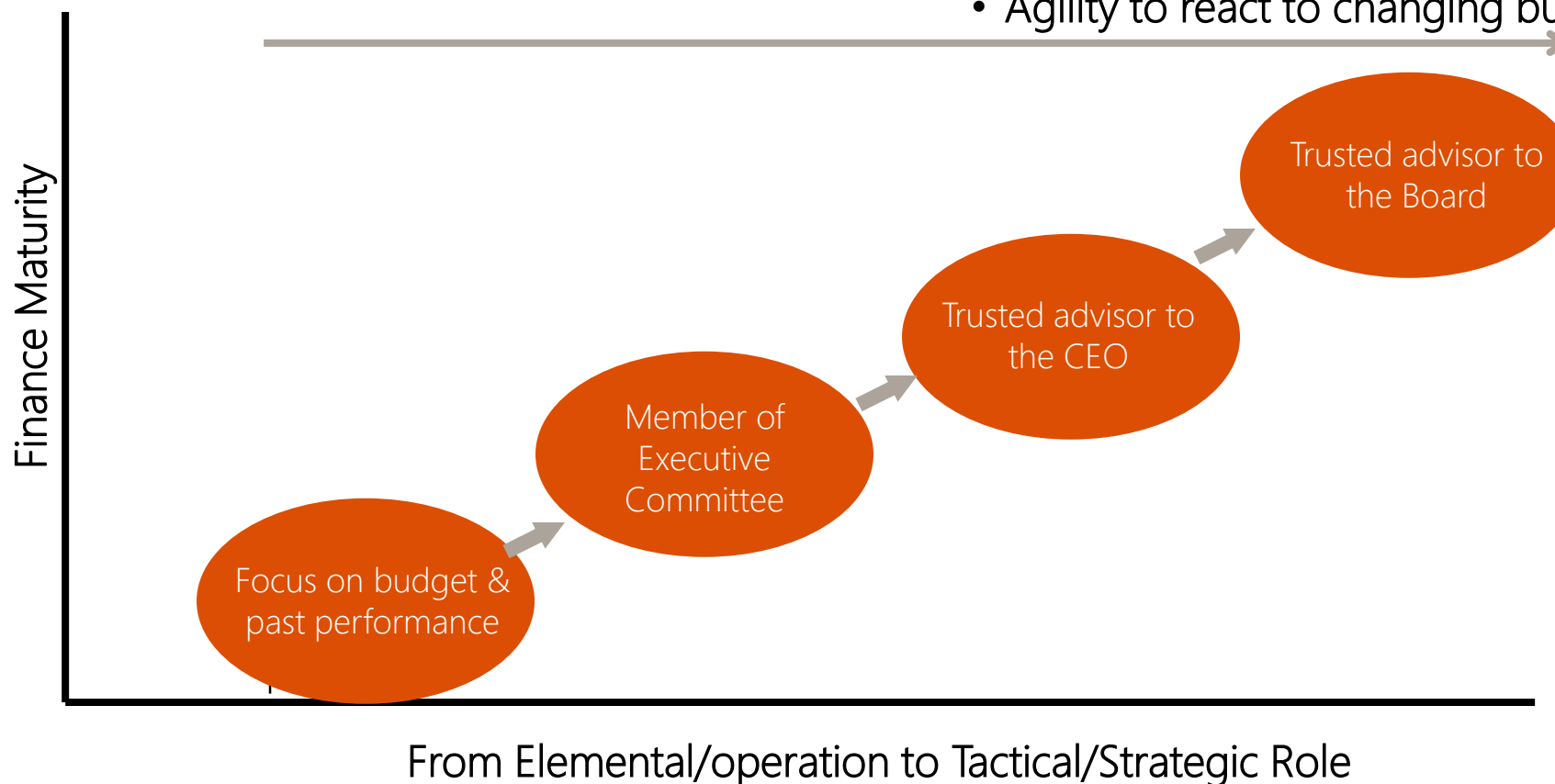


Assumption: You Have Gone Right (before you can go to the Top!)

- Budget control
- Focus on numbers
- Report Generator

- Value Drivers
- Shareholder value metrics
- High performing finance team

- Strategic understanding of the business
- Deep understanding of the business models
- From G/L to sub ledgers and finance to MD view
- **Agility to react to changing business circumstances**



First: What Do We Know About Successful Enterprises?





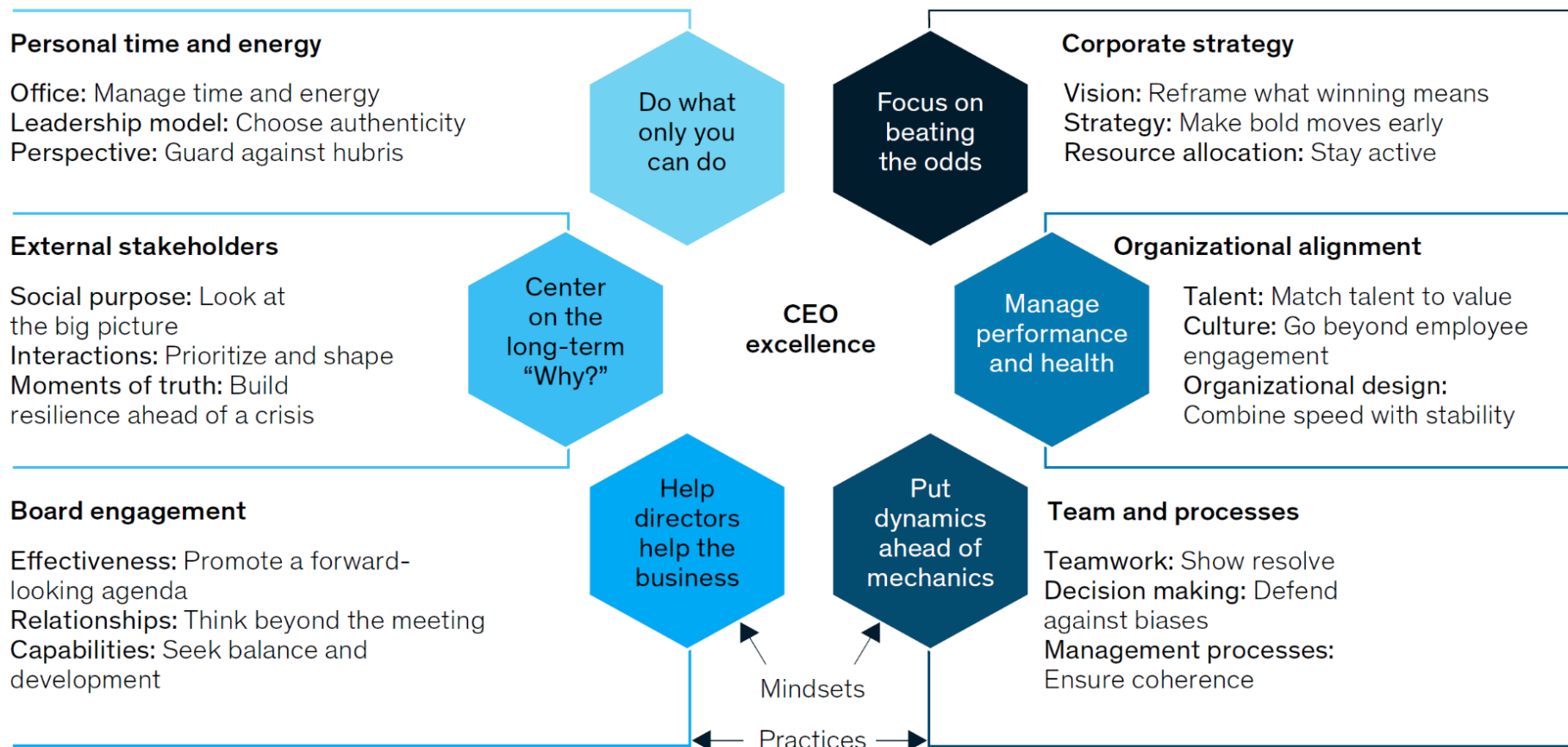
What Do We Know About the CEO Role?

Seven Expectations

1. Setting the strategy
2. Leading the top team and motivating the troops
3. Aligning the organization – Structure and Talent
4. Knowledge of Value drivers – Role of Technology
5. Focusing on Metrics/KPIs performance to drive results
6. Working with the board,
7. Working with external stakeholders, not just shareholders



Excellent CEOs approach the role's six elements with certain mindsets and adhere to 18 practices when fulfilling their unique responsibilities.



Source: McKinsey – based on large publicly listed companies



In essence

CEO designs strategy and the road map
CEO is expected to Lead and challenge
CEO is the “driver” of performance and
enterprise success
CEO accounts for 45% of enterprise
performance (Bradley et al 2018)

But what does it take to be a successful CEO?



Corporate
Renaissance
Group

The CEO Role and Enterprise Success



Jack Welch, Steve Jobs, Satya Nadella, Mark Zuckerberg, Jeff Bezos, Richard Branson, Marc Benioff

What is Strategy?

Strategy results in a **set of choices** that if executed correctly leads to success in presence of other competing firms/organisations.

It also allows to say “NO”

Note: just because a firm has a strategy (ies) does not mean it will be successful.



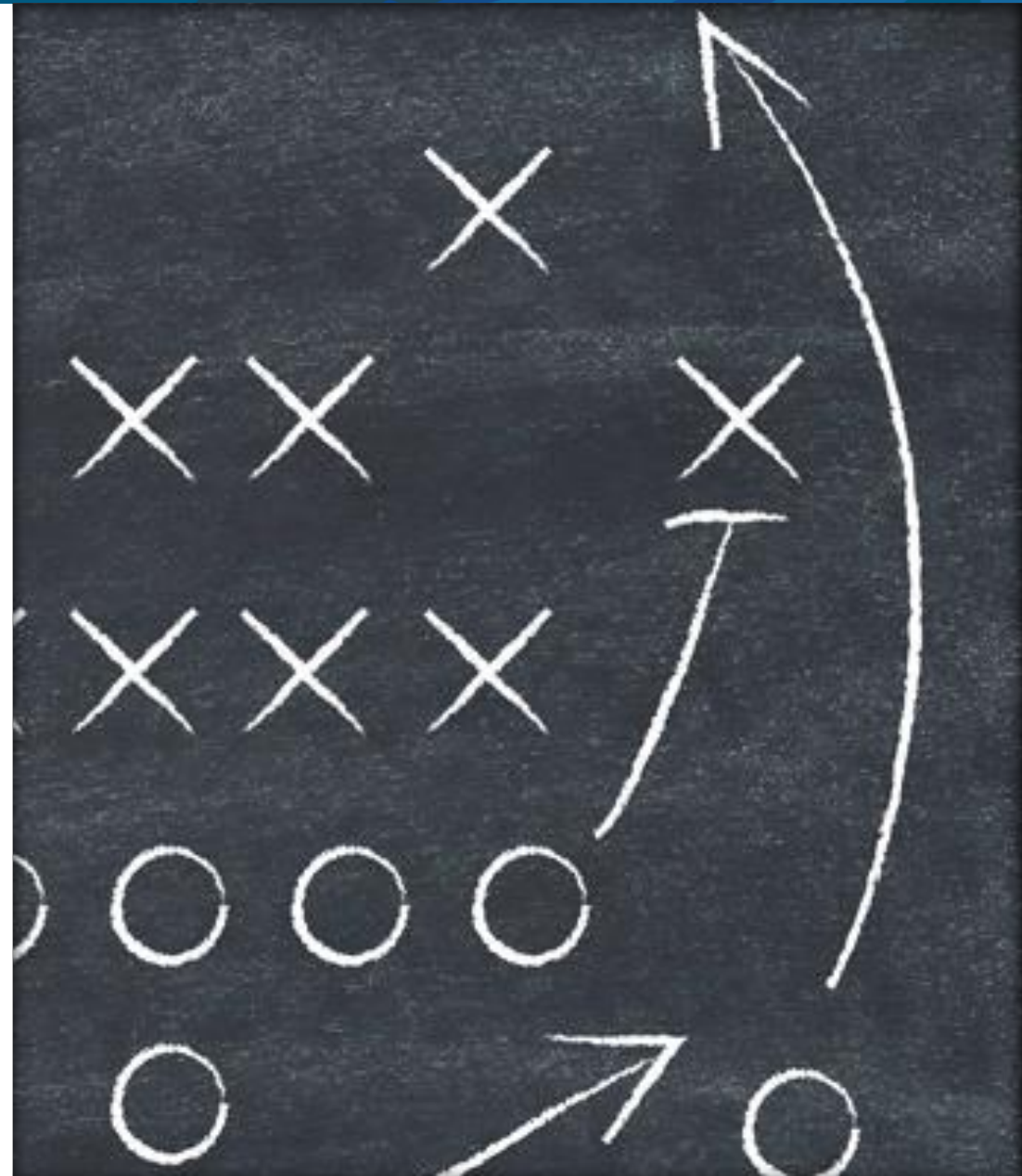
Crafting a Strategy- Claim to fame

Through identifying, creating, and maintaining a competitive advantage – *Uniqueness*

Through impacting industry and its structure and creating value for shareholders/stakeholders – *Courage*

By creating a “lock-in” effect with its customer by giving them an unbeatable value proposition that is sticky - *Stickiness*

Result: *Creating an unbeatable value proposition (for customers) that is sticky and thus sustainable.*





Corporate
Renaissance
Group

Note:
Vision/Mission and Strategy are intrinsically linked
And then comes execution

Tim Cook, Apple CEO, Business week September 15, 2013



What is Apple's vision/mission?

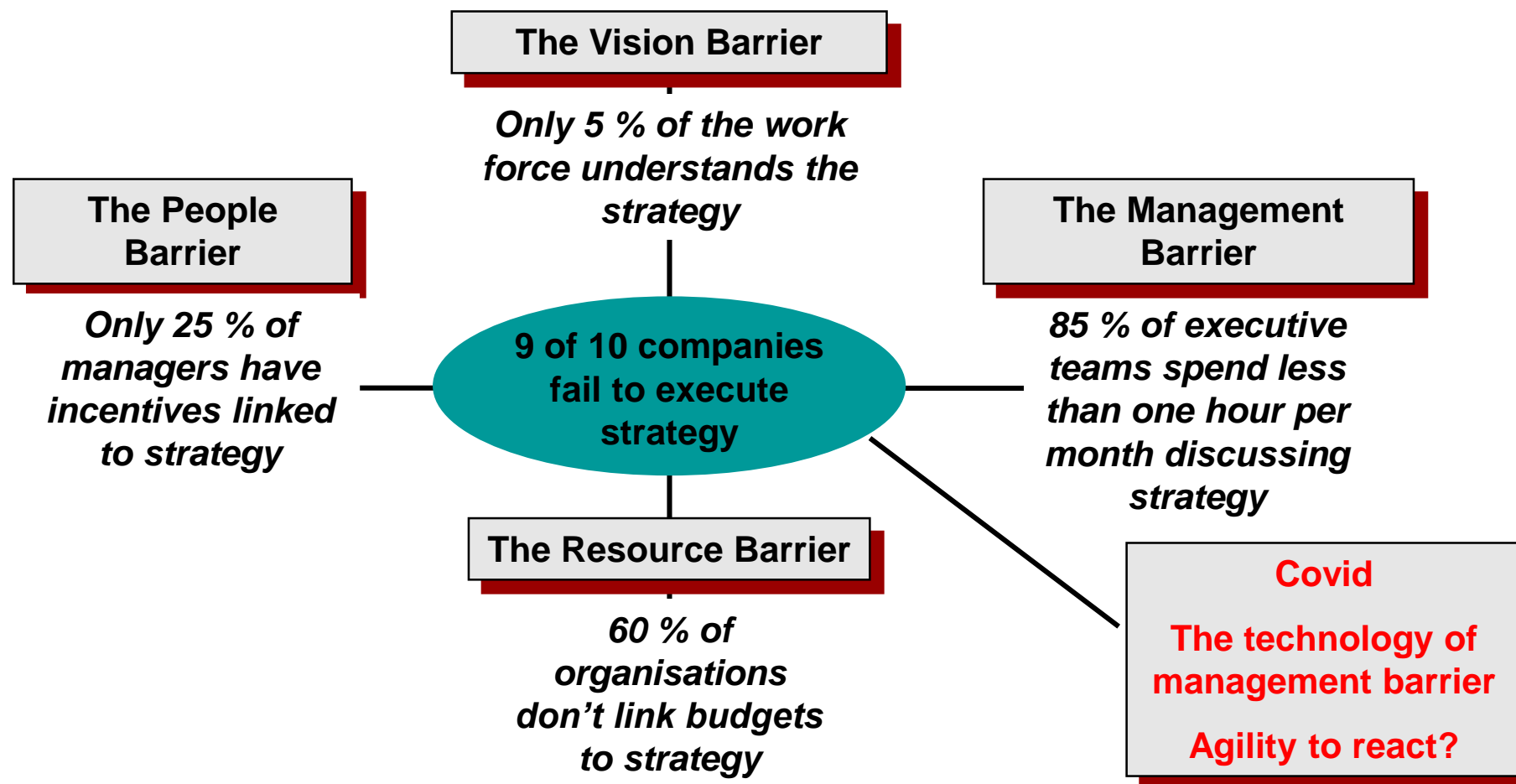
To make the very best products in the world that really deeply enrich people's lives. That's what we're about. And now it's not to make the most. It's not to have the highest market cap, but that's the result of doing the first one well. That's what we're about. And hopefully you can see that in our products and, more importantly, feel that in the experience you have using them. That's what we're about. And everybody here knows that. That's the beauty of this place. We don't have to put posters on the wall to remind people of that. Everybody knows it.

Note:

A Vision without a strategy and a realistic execution plan and without the right people with the right attitude can be termed as “**Corporate hallucination.**”



Note: Research Has Identified **4 Barriers to Successful Execution of Strategy**



A Quick Test

Criteria	Low 1	2	3	4	High 5
Clarity of Vision					
Clarity of Mission					
Clarity of Core Values					
Communication of Vision/ Mission/ Values					
Agility to act					
Overall Rank (sum of the above)					

Let us take one minute and send your overall rank score out of 25



Corporate
Renaissance
Group

Any takeaways?

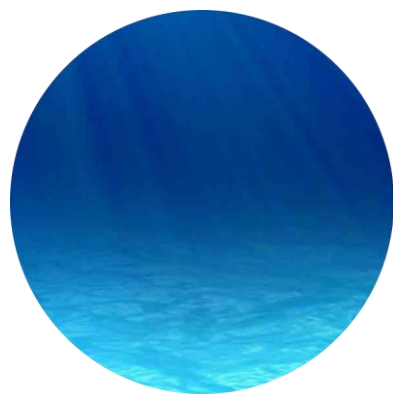


Corporate
Renaissance
Group

Next: Let us focus on this elusive term called “leadership”

What do we know about Leaders and Leadership From an Immense Body of Literature and From Gurus?

Three views:





Corporate
Renaissance
Group

View 1: Bass, Sharks and Dolphins

* *Source: John Burdett, Orxestra*

What Do We Know About Bass, Sharks, and Dolphins?

Bass: Particularly adept at warding off attack by muddying the waters in which they swim



Sharks: Aggressive, action-oriented, generate some interpersonal debris along the way. Feared for their size and voracity

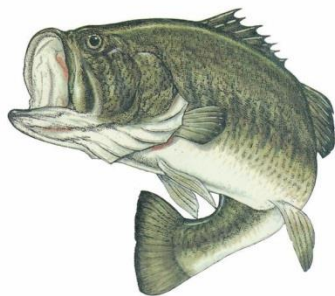


Dolphins: Elegant, highly intelligent, fast and adaptive, dolphins seek collaboration – rise in unison



Who Should You Prefer As Your Leaders for Your Enterprise Today?

Bass, Sharks, or Dolphins?



And what are you?

View 2: Head - Spirit- Hand - Heart

* *Source: John Burdett, Orxestra*



What Do People Need From a Leader?

Business Dimensions

- Business Acumen
- Innovation
- New ideas
- Delivers Results

Head

- See emerging patterns
- Customers Voice
- Strategy
- Clear goals

Spirit

- Caring
- Authentic
- Collaborative
- Supportive

Hand

- Results
- Commitment
- Consistent
- Discipline

Heart

- Listen
- Coach
- Stretch
- Affirm

People Dimensions

- Admiration & Respect
- Demonstrates Personal Leadership
- Develop Organization Capability
- Team Collaboration

What about you?

* Source: John Burdett, Orxestra

View 3: A Competency Centric Model



What Competencies Do We Need From a Leader?

Character

- Traits
- values
- Virtues

**People
competencies**

**Organizational
competencies**

**Business
Competencies**

**Strategic
competencies**

Commitment

- Aspiration
- Engagement
- Sacrifice

What about you?

* According to Gandz et al ICD 167, May 2013

What Do We Want From Our Leaders?

Some Hints:

INSPIRATIONAL

VISIONING & PROVIDING STRATEGIC
DIRECTION

TO LAY OUT EXECUTION PLAN

CONFIDENT

KNOWLEDGE

TO PROVIDE SECURITY
BLANKET IN TIMES OF
CHANGE

CHARISMATIC

TO LEAD THE WAY

TO CREATE A
TRUSTING
ENVIRONMENT

PARENTING

TO MOTIVATE

TO NAVIGATE
UNCHARTED
TERRITORIES

So What Specific Competencies Are Required by the CEO?

Business Perspective

Using an understanding of business issues, processes, outcomes and financial information to enhance business performance.

Results Management

Organizes time, work and resources to accomplish objectives in the most effective and efficient way.

Decision Making

Making Decisions involving varied level risk and ambiguity.

Governance & Compliance

Driving and complying with Policies and procedures to ensure sustainable and risk-managed business operations.



Leading and Developing Self

Ability to develop and demonstrate personal flexibility through the willingness and ability to manage self and overall learning endeavors.

Leading and Developing Others

Fostering employee development by providing a supportive learning environment.

Respect for Others

Driving organizational success by treating others with dignity and appreciation for their contributions.

Strategic Thinking

Understands and processes complex information and exercises sound judgment, considering the situation, the issues, the key players and the levels of authority involved. Proposes course of action that furthers the objectives, priorities and vision of the organization while promoting and ensuring alignment with the organization's visions and goals.

Key Observations/Conclusions

- *Not every CFO can & should aspire to be a CEO – it requires a different DNA*
 - *Do a self assessment using the three different views*
- Leadership is complex beast – some characteristics are innate: some can be acquired
- Leaders must demonstrate 'leadership' (not managerialship)
- Must demonstrate and lead a vision about the enterprise
- Needs the ability to create positive pressure and a sense of urgency
- Culture matters – so need to know how to create a responsive culture
- Change is hard but leaders must drive and execute the change

- *NUMBERS knowledge is necessary but not sufficient*

Questions for you?

- How many of these traits you have?
- What traits does your enterprise need today and in the near future from its CEO?

And

- Is there a Match with the traits you have and the needs of the enterprise?

Next: Evidence on CEO Succession





Evidence from Survey Conducted by the National Association of Corporate Directors

- Two-thirds of US public and private companies admit that they have no formal CEO succession plan in place
- One in three CEO successions fails.
- More broadly, three clusters of criteria are used:
 - know-how, such as technical knowledge and industry experience;
 - leadership skills, such as the ability to execute strategies, manage change, or inspire others; and
 - personal attributes, such as personality traits and values.

Evidence from Survey Conducted by the National Association of Corporate Directors – CEO Choices are Industry and Context Specific

- CEO choices are industry and context specific and with a five- to eight-year view.
- Mandates for CEOs change with the times and the teams they work with. The evaluation criteria should change, as well.
 - For example, the leadership style of a CEO in an e-commerce business would be very different from a CEO requirement for a utility.
- Requirements for publicly listed companies are very different from privately held companies

Where to Look for a CEO Position?

Size matters	Mature industry/non-disruptive environment	Nascent/emerging industry
Publicly listed	Steady hand, statesmanlike, industry contacts, within industry experience	Deep (even if short) knowledge of the space, story teller, relationships matter, valuation focused
Privately held	Ability to work with owners, personal relationship, willing to work in a slow pace – organic growth	deep (even if short) knowledge of the space, ability to turn on a dime, task/deadline focused, 100 hour work weeks, must show experience in similar companies



Corporate
Renaissance
Group

And finally – fighting the biases in CEO selection

Managing the BOARD for CEO Succession

Evidence on CEO/Board Biases



Managing the BOARD for CEO Succession

Evidence on CEO/Board Biases

MOM:

“More of me” - look for or try to develop a copy of themselves.



Managing the BOARD for CEO Succession

Evidence on CEO/Board Biases

Sabotage:

Consciously or unconsciously undermine the process by promoting a candidate who may not be ready for the top job (or is otherwise weak) and therefore seems likely to prolong the current CEO's reign.



Managing the BOARD for CEO Succession

Evidence on CEO/Board Biases

Herding:

Members of the committee in charge of the process consciously or unconsciously adjust their views to those of the incumbent CEO or the chairman of the board.



Conclusion/observations

- Need to be trusted advisor to the board
 - Need to build personal connections with the Board members
 - Need to build confidence in your abilities/capabilities not as a numbers person but as a person with deep business insights
-

Where do you go from here? : Sample CEO Criteria and Your Score 1: Low 5: High – **need a score over 80!**

Level 1	Level 2	1= Low, 10= high
Knowledge about the business	Key stakeholders	
	Deep industry knowledge	
	Key Drivers of performance	
Leadership Skills	Attract and develop talent	
	Drive high performance	
	Able to articulate vision and change the course	
Mind-set and personal Attributes	Demonstrated ability to take tough decisions	
	Engaging and inspiring	
	Open minded	
	Culturally sensitive	

Questions?





Thank you for joining!
Please take a moment to complete the survey.

Contact us!
crg@crgroup.com

Access great resources at
crgroup.com/CFO-Bootcamp



Corporate
Renaissance
Group