

## ARTICLE

# First-time CFO guide: Advice from European & African CFOs

As part of our global series of CFO conversations, we spoke to 42 financial officers across Europe and Africa to ask their advice for the next generation on what it takes to succeed in the role.



## Advice from current CFOs to future CFOs

What advice would you give to someone just starting out as a chief financial officer? What are the major step changes that need to be made when taking on the role? And what skills will be required by the finance leaders of the future?

These are just some of the questions we asked during interviews with 42 European and African current and former CFOs about graduating to and succeeding in their role as part of a global project drawing on interviews with CFOs around the world.

Our contributors' predictions for future finance leaders involve a broader set of responsibilities than when they first took on the role 10 or even 20 years ago, with the CFO now acting as advisor, technician, strategist, leader, influencer, and mentor. They also expect a significant acceleration in how the role of the CFO must change to respond to a rapidly evolving technology landscape, all while working within a complex social and governance ecosystem set against a volatile economic environment.

Among the critical challenges the CFOs we talked with identified as facing new CFOs are the shift up to a strategic business perspective, including developing a strong working relationship with the board and a copiloting role with the CEO; the mastery of investor relations responsibilities and management of new stakeholder relationships; developing both personal and functional leadership capabilities; and playing a part in driving additional corporate projects such as digitization and ESG strategies.

We've distilled the combined knowledge and experience of the executives we spoke with into eight key step changes to becoming an effective CFO. We've included a guide to successfully navigating the first 90 days in the role (see Appendix A on page 12), created a checklist for anyone looking to become a CFO in the future (see Appendix B on page 13), and outlined the skills needed for the CFO of tomorrow.

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## Future of the finance function: The evolving CFO

When we asked existing CFOs how their role is evolving, the picture that emerged showed the need for an agile finance leader who commands a broad business experience beyond the boundaries of traditional finance and is thus becoming increasingly positioned as a CEO successor.

"It's been difficult, recently, to have a stable view of things," described a current CFO. "Each time you think that you have a grasp of something, it changes. What's important is having agility and keeping in mind that you never know what will happen tomorrow. It's an approach I think future CFOs will have to adopt in order to thrive in the role."

While the landscape remains volatile, the pace of business is also accelerating, and the CFO's responsibilities continue to broaden in scope. "We have geopolitical crises, we have a supply chain crisis, we have banking sector problems, we have inflation issues, we have energy cost issues," enumerated another CFO. "Active steering is now more important than ever. This requires crisis management every day on numerous fronts."

Alongside the digital transformation of many companies, the need for change management is leading to a more strategic role for CFOs. There is less focus on data provision and more on data-based decision making. "While the finance functions will lead the setting of performance management frameworks and KPIs, increasingly they will not be gatekeepers of data and information," explained one executive. "Technology will make data widely available and accessible in organizations. Consequently, the best finance functions will facilitate, challenge, and coach rather than simply be manipulators of [Microsoft] Excel."

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The future of the finance function is going to be less transactional, predicted another CFO, citing their company's practice of outsourcing many of its business accounting functions: "It will be more about steering the company, doing the appropriate analysis, identifying where the profitability is coming from, where it's lagging behind, and also driving digitization and ESG."

The role will remain a mix between applying business acumen and performance management, but with a shift in the emphasis, said another executive: "It's the same historical, classical components. However, the intensity will change, with key stakeholders asking more on the business front. Hence it is critical to balance the stewardship part with process improvements and a strong compliance framework."

## Handling stakeholder relations

The CFO role brings with it a greater depth of interaction with company stakeholders, beyond that required from a divisional CFO, financial director, or group level report to the role. "You can't only focus on the numbers. It's important to spend sufficient time on stakeholder management and relationship building," said one current CFO. "Actively plan to take time for those communications."

CFOs will need to manage a wider stakeholder network than they did previously, all of whom require tailored input. "The most important skill is the ability to create strong professional relationships with investors, board members, team members, the executive committee, and sector workers," one longtime CFO said. And the breadth of stakeholder engagement doesn't stop there. "The CFO does not only belong to the shareholders," he added, "but also to society at large."

For effective stakeholder management, CFOs need to understand their audience, both internal and external, said another CFO: "Map them out. Invest in every interaction. As finance people, we tend to deprioritize this, and we shouldn't."

Our contributors emphasized being transparent and straightforward with stakeholders, and the need for a different style of communication than used with the financial team. "There's an abundance of people who are competent vis-à-vis technical skills but are incapable of explaining and breaking down what they do in a comprehensible way," said one CFO. "It's important to simplify things to the nth degree. I endorse the words of Leonardo da Vinci: 'Simplicity is the ultimate sophistication.'"

It's also vital to understand which stakeholders have significant influence on the company's direction and success, and who needs to know what. "Spend time getting to know your external stakeholders," advised one respondent. "Get on top of what's important for them. If you know what the external world thinks and expects, you will be much more impactful."

Investor communications remain the core stakeholder interaction for many CFOs, but this can often be a new responsibility for incoming CFOs. One of our contributors suggested getting a sale-side analyst to provide a "brain dump" on all the individual investors and what they say behind the company's back to better understand their priorities.

Fortunately, investors are generally more straightforward in their requirements than other stakeholders, with their needs sitting within the finance leader's comfort zone. "Always identify your cash flow drivers, then revenue drivers, and, lastly, cost drivers. You need to be able to convince investors with the numbers," said a current CFO.

Even with the numbers in hand, facing the company's shareholders can be intimidating. Honing your communication skills will help. "I was too nervous at investor presentations: I knew the answer to every question but did not come across particularly well," admitted one executive. "I had an afternoon's coaching from a TV news presenter, and it was a revelation!"

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## Partnering with the CEO

In the experience of our contributors, the scope and scale of the CFO's co-stewardship is expanding, and their relationship with the CEO will dictate their success as copilot. As one CFO succinctly put it: "The CEO has all the authority; you carry half the risk."

As the CEO's right hand, CFOs need to build a positive relationship, establish trust, and align their objectives. "When you become a CFO, you recognize that most of your power comes from your relationship with your CEO. And if you don't have the right relationship, then it's not a great place to be," said an experienced finance leader.

"Discover what their mission is," advised another respondent. "Talk to them frequently and get alignment with them on your priorities and if those priorities are a fit with their purpose for the company." Good quality dialogue is key to creating a strong relationship, said a current CFO: "Exhibiting honesty and openness leads to developing trust in what you're doing. It does not happen overnight but rather takes time to develop."

One CFO recommended physical proximity in building a connection with the chief executive: "Your office needs to be close to the CEO's office. There needs to be informal communication lines." He also recommended a regular "CFO review" for the CEO in situations where there are fewer opportunities for regular one-to-one meetings.

As one of the few people positioned to challenge the CEO, the CFO needs to be an "active sparring partner" and "able to speak truth to power." Said one CFO: "Have closed-door conversations. It's an intricate balance of challenge, being independent, and how you manage disagreements." Never undermine the CEO in public, but rather counsel them privately, she added.

Working with the chief executive is about finding a rhythm, accepting each other's strengths and weaknesses, and bridging the gaps. "You don't want a CEO who's too similar to you, because you'll be trying to play in the same part of the field," warned another CFO.

For a CEO who doesn't come from a finance background, you can provide insights they might not otherwise recognize. "The CFO spends a lot of time looking at all the details and therefore tends to know more than the CEO. Build a relationship of trust based on those elements," said one contributor. Another added: "Not everything is black and white: you won't always be right, but it's part of your role to give your point of view and support it with data."

The CFO is seen as a potential successor to the CEO, which can add nuance to the relationship. "One day you might be a rival for the CEO's job, so you have to demonstrate to them that you wouldn't use your privileged position to undermine them," advised a current CFO.

"The role is that of confidant, consigliere, and copilot," concluded another. "Ultimately, you should be somebody who will take things off the CEO's plate, rather than put things on it."

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## Working with the board

Interaction with the board is a first for many incoming CFOs. Stepping through the boardroom door can be nerve-wracking, but, said current incumbents of the role, remember that boards are reliant on the CFO for data and guidance and will view you as an ally if you manage the relationship well.

“You have to add value. They need to see that you bring something to the table,” said a former CFO, now CEO. “You need to contribute to discussions, provide guidance, explain things to them, make proposals.”

The task of the CFO on the board is to “present financials underpinned by business drivers,” said a current CFO. “Then it’s about simplifying a lot,” she added. “Ensuring compliance is key. Being propositive and provocative in a constructive way. Most importantly, enabling data-driven decisions.”

Disseminating information to the board is about making maximum impact in minimal time to enable better board discussions—and therefore better decisions. “The board is made up of experienced, diverse, and busy people,” noted one CFO. “They don’t need the same detail as the executive committee. No board director ever asked for more pages to read. Less is almost always more.”

Each board member will have their own agenda, and it’s important to discover what they need from you. “Every board is one of a kind. Try to get to know the people sitting around the table. Do your homework and learn about each board member’s background,” another respondent said. “I’ve had boards where some of their members like to have informal interactions with the CFO. But when they don’t, that’s fine: don’t complicate your life.”

Establishing trust in the boardroom is fundamental, said one contributor. “Be an expert at what you do, and don’t play games. There’s no time or energy for politics around the table.” Offer maximum transparency with the data, advised another: “Demonstrate your reasoning, your calculations, always supported by the impact to the balance sheet, the cash flow and insolvency risks. Educate the board on which information is relevant, which KPIs they have to pay attention to.”

To maintain that trust, the board needs to see the CFO as independent, and not just a mouthpiece for the chief executive. “Loyalty to the CEO is important, but you should never lose your objectivity, and you have to make sure the board sees that. It’s really important for the board to appreciate the CFO as their own person,” said one CFO. Another added: “When board members want to talk to the CFO, often it’s to look for more color or contrast in the analysis of a complex problem that doesn’t have a single interpretation.”

But an independent relationship with the board has the potential to create friction between the CEO and their finance chief, a circumstance new CFOs need to be aware of. “The CEO can be affronted by you giving the board a different opinion on a topic or on a decision that they have made,” warned an experienced CFO.

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## Graduating into a business strategy role

In today's complex corporate landscape, the CFO is a strategic business partner as well as a finance leader. You will influence decisions from M&A and IPOs to technical rollouts and the company's ESG direction. As one of our contributors put it: "The biggest shift in becoming CFO is the stepping stone into enterprise-wide leader as opposed to functional leader."

The role of the CFO has completely changed in this respect, said a longtime CFO. "Whereas previously it was all about the numbers, it is now a much more commercial mindset. A CFO acts as business partner and needs to create liquidity and profitability. You need to be able to have strategic discussions with the CEO and other C-suite peers."

The involvement in strategy is day-to-day business for the CFO, agreed another: "What do we invest in? How do we allocate our capital and resources? I chair the capital expenditure program and the investment board in which it gets debated. Being a financial steward is a prerequisite. Your value add is helping companies drive business performance."

To contribute effectively requires a complete overview of the industry and the company, and historic knowledge of what has and hasn't worked in the past.

"If you have no interest in the sector you're working in, it's difficult to become a successful CFO," stated an experienced CFO. "If you're not willing to deep-dive into the workings of the product, or whatever the company sells, then you'll never be able to succeed in areas such as project controlling or business management."

This enterprise leadership also requires executives to be aware of their influence across the business, in the boardroom, and even outside the organization.

"It's about playing an integrator role across all functions and business streams and understanding the breadth of the CFO's impact on the political, legal, IT, and business strategy strands of the business," said another finance leader.

Time spent in the business with divisional leaders will add narrative and color to the numbers, said another CFO: "You have to learn the details and gather experience on a corporate level, but also on a local level, so you can see both sides of the fence."

It is also the CFO's job to "play a center field role" said one contributor.

"You are looking 360 degrees at the business, bringing ideas and rational or numerical support to decision making, while keeping an eye on performance and also the future in terms of innovation and digitization."

"It's fundamental that the CFO keeps the helicopter view and clarity to assess trade-offs and required changes to the set objectives," said another.

And commerciality is perhaps the biggest part of this strategic role, she added:

"Because you look across the entire organization, if you have a commercial mindset and you're always looking for value, that can help to change a culture in the company. I'm constantly looking to free up capacity to think strategically and steer the business."

With enterprise leadership comes a responsibility to recognize the shadow that you cast, added a current CFO: "You're the number two in the company: people hang on your every word and try to interpret it. It's a very public position, and what you say matters."

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## Achieving full functional leadership

“If you move from divisional CFO to corporate CFO, be prepared to do something very different,” warned one of our contributors. “It’s tempting to think it’s simply a matter of changing scale and that the numbers are bigger but that you’ll be basically doing what you were doing before. That’s not so. A corporate CFO has an institutional role, a relational role with the board and the audit committee and with outside stakeholders.”

Few new CFOs take the reins on day one with the complete skill set required for the job. The capability to lead across the entire breadth of the finance function demands practical experience as well as leadership ability. Tax and treasury knowledge are both needed, alongside investor relations skills for dealing with stakeholders including banks, analysts, ratings agencies, and investors.

Acquiring the necessary complement of skills is perhaps the most common step up for new CFOs, as most divisional CFOs coming into a group CFO remit lack the full gamut of corporate finance experience. For group controllers who do already have the finance skills, meanwhile, the commensurate challenge can be ensuring you build a strong understanding of P&L management within an enterprise business as well as at the group level.

Experience at the divisional level does not automatically earn you all the skills needed to fulfill the corporate role, argued one CFO: “Because someone has succeeded as a divisional CFO does not necessarily mean they will do well as a corporate one. They will also have to apply a more strategic vision, one which is more long term, less detailed, and more about how the financial function contributes to the whole corporation. Their decisions are no longer at a business scale but at the whole group scale.”

While it’s important to have a strategic overview of the entire company, the CFO also has to keep a hand on the financial reins. “You’re responsible for the financial controls, the reporting, the funding of the company, the balance sheet management,” noted a current incumbent. “If you go rolling across the organization making recommendations and your own space isn’t in order, if the balance sheets aren’t measured, the controls aren’t in the right place, you lose credibility.”

Increasingly for the CFO, functional leadership includes change management. “We need transformation skills, both functional and business, to shape strategy and deliver against it,” said one CFO. “We also need to spend more time on sustainability, not just on reporting but also on the impact on capital allocations, how it influences strategy and the organization.”

When you first take on the CFO role, closing your functional skills gap should be one of your top priorities, said an experienced finance leader: “There’s a list of 20 things we want CFOs to be able to do, and even the best of us can only tick off a maximum of 15 of those. So, take the 5 or more that you haven’t done before and immerse yourself in those.”

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## Building the team and harnessing talent

A strong finance function gives a company a competitive advantage, so it's incumbent on a new CFO to back themselves with a talented team. "Be quick in making an assessment of the talent pool and plotting the course forward for the overall finance community in your organization," suggested one respondent.

"Be strong on diversity. Be able to recruit good people and retain them. Be creative in offering an environment where everyone wants to work," recommended another. "This includes bringing many nationalities together, mixing old and young, employing full-time and part-time staff, and sometimes accepting that a CV is not perfect, but the potential is there."

Developing your personal leadership style is a crucial element of attracting and retaining a strong finance team. "Empathy, humbleness, and humility are essential traits for authentic leadership. People want their leaders to be authentic and to help drive an organization from being good to great," said one finance leader.

As CFO, you have ultimate responsibility for the finance strategy, but while the buck stops with you, today's CFOs need to espouse less hierarchical leadership. "When I started, leadership was very much top down, and the C-level was untouchable," recalled a longtime CFO. "That has changed completely. Now it's more about being a team player and being the coach of your finance function."

"As CFO, you need to learn to let go and be able to delegate. With more experience, you learn who you can rely on. I don't think you can fast-track that process," added another contributor. "Finance leaders have the tendency to overanalyze. As CFO, you need to rely on your team because you are not going to be able to analyze every detail yourself."

Recognizing talent, wherever it is in the company, is another strong leadership attribute. "If you only talk to your top three or four direct reports and you don't know who's underneath, then you're lost," said one CFO. Explained another: "When looking for understanding, I don't follow the hierarchical line. I keep going until someone knows. It may be in a different department, at an unexpected level, but you need to get to that source."

An agile team also requires a leader willing to move unsuitable employees on. "I made the mistake of holding people in positions for too long and managing around them," admitted a current CFO. "It's better to say goodbye, respectfully. In a 4,000-person firm, you cannot afford to maintain nonperformers."

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## Influencing digitization and technology implementation

Because technology is the enabling factor in all finance activities, one significant responsibility for the CFO is contributing to digitization and the establishment of processes for managing data. This includes enterprise resource planning (ERP) and business intelligence. “Today you need to be thinking about how technology can deliver productivity across finance by, for example, reducing direct data entry; deliver improvements to core processes and reduce cycle times; improve reporting; help identify issues and trends; and provide insight on controls and bottlenecks,” explained a current CFO.

“The ability to read, learn from, and understand multiple sources of data—not just financial ones—is becoming critical, while the challenge is to distill that data and make decisions,” added another. “The technological part is done by the IT department, but the decision making, the data utilization tools, are in the remit of the CFO.”

New CFOs often find themselves managing legacy systems and being responsible for decisions around IT investment. “If you’re in a legacy business, you’re constantly battling with how to make the technology you have work, because replacing it all is unaffordable,” said a veteran of multiple CFO roles.

It’s also crucial for CFOs to understand how technology implementation impacts the bottom line. “CFOs are accountable for how technology can best enable efficiency, reduce costs, and drive faster growth from sharper and quicker insights,” said one respondent. “You need a willingness to dig into the details,” added another. “Digitization is only possible with a clear process understanding and, at the same time, the ability to stay strategic.”

The impact of big data and AI on the finance function is high on the agenda for today’s CFOs. “To get more useful data, more investment has to be made to obtain them. But overanalysis leads to paralysis. It’s a trade-off between technology and necessity—we have to consider the ROI,” explained one senior finance leader. “We’re going to have to get a lot bigger and more data-driven,” argued another. “There are millions of transactions in any company. With big data and AI, we can really understand how and where we are making money—or not.”

With technology development rapidly accelerating, the CFO needs to keep themselves informed of the business potential and impact. “The CFO must expose themselves to new technologies and help drive a transformation path within the company, understanding how new technology will transform not only the finance department but also the business,” said a current CFO. “There are two tech routes to consider: process improvement and efficiency, such as robotics and automation; and business planning and scenarios, using predictive tech and AI.”

Keeping up with the latest developments will allow the CFO to react quickly to new circumstances and different stakeholder demands. “You need a healthy understanding of systems and processes, and a clear view of arising opportunities. This includes curiosity and openness for new systems, including AI,” concluded another executive. “Technologies such as ChatGPT are disruptors but come with very high risks. The CFO needs to drive a clear digitization agenda.”

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## Taking responsibility for ESG

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In many companies, the CFO’s remit increasingly includes ESG reporting, measurement, and strategy. In some, the role of ESG lead is integrated into the CFO role; in others, the CFO feeds data to the sustainability lead and advises the board on the cost versus reward of ESG policies. Both of these roles will likely be new to those stepping up to the CFO level.

ESG has to be incorporated into the overall business strategy, with the CFO evaluating risks, profit opportunities, and capital allocation. “This is a crucial role, given that the sustainability of the business model is going to impact the evaluation of the company and future development or investment, including the ability to raise funds and to attract capital and liquidity,” said a current finance leader.

“The CFO leads in capital allocation and value creation, so is pivotal in ensuring sponsorship of the ESG agenda,” added another CFO. “That means making sure the ESG strategy is congruent with the organization’s overall strategy, that resources are allocated in line with the strategy, that there are clear KPIs that are reviewed with the intensity given to financial KPIs, and that outcomes are articulated.”

Businesses are being held to account on these topics, with ESG targets merging with financial ones. “If you have ESG targets, they are measured with KPIs for each activity: energy consumption, emissions, employee-related KPIs, attrition, education rate, compliance data. As CFO, you have to provide those KPIs,” pointed out an experienced CFO. “Then you have to develop an ESG dashboard that shows where you are, how you are progressing, what the targets are, and how you get there.”

The CFO also has a broader role to play on ESG as part of the executive committee. “All members of the C-suite need to drive ESG forward,” said one CFO. Be a champion, added another: “Believe in equality, diversity, environmental and social equity. The younger generation will leave if the company leadership doesn’t live these values.”

Championing ESG includes being open to partnering with other functions. “There can be great cross-functional ESG initiatives, such as with HR or procurement, that can deliver benefits to the whole organization,” noted one contributor.

With investors increasingly concerned about ESG credentials, the CFO needs to be able to demonstrate compliance and bring an outcomes-focused lens to the sustainability discussion. “ESG is no longer an ‘agenda’; it is quintessentially integrated into the way we operate, and investors assess us with this lens,” warned one finance leader. “With the CFO being the main conduit between the company and investors, while you don’t have to be responsible for the execution of ESG, you’ve got to help build the bridge between ESG and financial performance,” said another.

“Investors are asking what you’re doing in E and S—and perhaps less so G, because governance has been a big part of compliance in recent years,” said one CFO. “Environmental and social issues are the next big things that need to be driven within the company. You need to establish from an investor relations perspective where you are getting the data on ESG.”

## Conclusion: Thriving as a first-time CFO

The insights from our interviews sit against a business backdrop that sees a rising number of first-time CFOs across European businesses. There is also greater movement of finance professionals between sectors, and an increasing number of external hires coming into C-suite positions—in part due to increased focus on diversity alongside a growing retirement trend. Our analysis shows that 47% of Europe's top 500 companies' CFOs were hired externally, and 66% of them come from industries different from that of their current company.<sup>1</sup>

This report highlights the predominant step changes that this growing contingent of new financial leaders face when taking on their first CFO role—some of which they will have prepared for, and others of which may lie beyond their existing experience.

Our interviews with current CFOs reveal that these step changes include developing both functional and personal leadership, embracing stakeholder relations, forging new relationships with the CEO and board, and accepting varying degrees of ownership of the ESG agenda and technology uptake within the organization.

As second in command, and frequent successor to the CEO, the CFO also needs to develop their enterprise leadership abilities. This means focusing on organizational outcomes and working on behalf of the entire company, rather than concentrating solely on the output of the finance function.

As CFO, business strategy is a fundamental part of your job. You need to be able to identify business risks and opportunities and bring competitive advantage to the company. You will have to work in concert with other members of the executive committee and may have other functions beyond finance reporting to you.

But it's not only a question of what you as CFO can bring to the company. When looking to take on your first CFO role, seek a position that connects with your own sense of purpose and experience, and also gives you the opportunities to become a fully rounded finance leader. Whether the role is with a FTSE 100 corporation or a rapidly scaling start-up, understanding how the CFO role differs across different organizations, and how your skills align with their individual requirements, will enable you to find the right first-time CFO position for you.

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<sup>1</sup> Heidrick & Struggles analysis.

## APPENDIX A

## CFOs' advice on how to thrive in your first 90 days

While there's no single blueprint for a CFO, experienced finance leaders agree there are key priorities to address in the first three months of the role. Adopting these core behaviors and targets will set new CFOs up for long-term success.

- **Take time to listen:** "Don't go too fast in trying to understand the game. No one expects an exceptional delivery of results straightaway without you having listened and been open. You need a learning mindset—and for people to give you feedback."
- **Be a hands-on CFO:** "Don't outsource your own role. Be brave enough to do it yourself. Otherwise, before you know it, you will not be part of the conversation."
- **Accept that leadership can be lonely:** "You are no longer one of the team. You need to be able to make tough decisions and be responsible. Don't underestimate the transition from peer to superior. Get used to being alone."
- **Let your team do their jobs:** "It's about the team and not about you; get the best people in the right roles and allow them to flourish. They want the finance function to succeed and the business to thrive, so give them space to show you what they can do."
- **Set the tone across the finance function:** "Explain exactly what you want and do not want at the start. Get everyone together, hold town halls, and get their feedback on how it lands. Have regular, clear, and transparent communications with the full finance organization."
- **Value your own time:** "Build downtime into your schedule—the business wants the best version of you, and all of us need time to think. Prioritize ruthlessly, and manage your time meticulously. Don't agree to every meeting: meetings eat time."
- **Embrace the company culture:** "Understand the working style and culture of your colleagues, so that you can fit in and can understand why people do what they do. If you don't really understand the culture, you will become frustrated."
- **Work your network:** "If you're an in-house promotion, you should already have a network, so use it. If you come from the outside, quickly get your network together and get good people behind you."
- **Keep it simple:** "Don't overcomplicate: finance at its core is relatively simple. Get a sense of how risk averse the organization is, and focus on what you need to do to deliver successful outcomes. It's never as complex as it seems."
- **Enjoy your job:** "Have fun. This sounds easy, but it should not be underestimated. Create enjoyment in your role and only then can you be successful. You need to be able to show that spirit of fun and optimism."

## APPENDIX B

## First-time CFO checklist: Advice on setting yourself up for a future CFO role

The executives we interviewed also offered advice to those who aspire to the CFO role.

- Map out your path to CFO:** “Take conscious ownership of your career. Make choices, and choose your own path. Don’t expect others to do it for you. Be prepared to move sectors and into a new business. The right CFO role for you may not be in the industry you’re currently in.”
- Be realistic about how challenging the job is:** “You need to really understand what it is that you’re taking on in the CFO role and be honest about whether you’re willing to make the sacrifices it takes.”
- Broaden your business experience:** “Compile experience of various finance functions such as controlling, treasury, and investor relations. Think about time outside of finance to broaden your leadership and outlook. The board will look to hire a CFO with resilience and learning capability.”
- Seek out a sponsor:** “Find a mentor before you start. When I first became a CFO, it was terrifying. I didn’t have a mentor and had to learn on the job. Make sure you have one. I now have two!”
- Stick to your principles:** “The CFO role is not a place for people who change their opinion when the hierarchy does not agree with their approach. Being loyal to your own values and developing a principled character, obviously paired with intelligence, are incredibly important.”
- Consider a position in a smaller company:** “We’re all obsessed with becoming FTSE 100 CFOs, but that can cause you to overlook some great opportunities. Look for a company where you’re interested in the business and that gives you space to learn what it is to be a CFO.”
- Pick the right first CFO role for you:** “Analyze your future peers—in other words, the C-suite leadership team. Analyze the finance team, and analyze the business model. If you’re not convinced, don’t join. You’ll be wasting valuable time.”
- Choose your CEO wisely:** “There’s a wide spectrum of CEOs with very different expectations of the CFO. Do proper due diligence on the CEO you’re going to work with. If you are naturally aligned, you’ll be productive. If not, you won’t.”
- Be ready for anything:** “Understand that the situation of the business may change between accepting the role and starting it, so be agile and emotionally prepared to adjust to new circumstances.”
- Become a financial interpreter:** “You must learn to make decisions based on incomplete information. This is a very important skill. Keep yourself informed on industry specifics but also on the global financial environment; for example, have a Bloomberg Terminal or read the *Financial Times* every day.”

## About the author

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## Acknowledgments

The author wishes to thank the following executives for sharing their insights. Their views are personal and do not necessarily represent those of the companies they are affiliated with.

### Anonymous FTSE 100 CFO

#### Matthew Ashley

CFO  
Micro Focus plc

#### Fabio Bocchio

Executive vice president,  
Administration, Planning &  
Controlling  
Pirelli

#### Andrea Bonini

CFO  
Prada

#### Paolo Calcagnini

CFO  
Saipem

#### Flavio Caruso

CFO  
Novartis Italy

#### Barbara Cavaleri

Executive vice president,  
Operations & Finance  
Sky Italia

#### Roger Dassen

CFO and executive  
vice president  
ASML

#### Chris Figee

CFO  
KPN

#### Marco Fossataro

CFO  
Ferrovie dello Stato Italiano

#### Borja García-Alarcón Altamirano

CFO  
Indra

#### Stefano Grassi

Group CFO  
EssilorLuxottica

#### Camillo Greco

CFO  
Poste Italiane

#### Matthew Gregory

CFO  
GKN Aerospace

#### Derek Harding

CFO  
Spectris plc

#### Christina Johansson

Group CFO  
Dormakaba

#### Rachel Kentleton

Former CFO  
St. Modwen

#### Marcus Ketter

Former CFO  
GEA

#### Prinisha Khoosal

CFO  
Bridgestone Southern Africa

#### Jens Kimmig

CFO  
Xella Group

#### Inka Koljonen

Board member for finance,  
IT, and legal affairs  
MAN Truck & Bus SE

#### Lily Liu

Group CFO  
Synthomer plc

#### Zafar Mahomed

Group CFO  
Oceana Group

#### Barbara Makhubedu

CFO  
Liberty Two Degrees

#### Andrea Maldì

Former CFO  
Fiera Milano

#### Matthieu Malige

CFO  
Carrefour

#### Brian McArthur-Muscroft

Former CFO  
Paysafe Group

#### David Mellors

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Babcock International

#### Massimiliano Moi

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#### Jean-Jacques Morin

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#### Andreas Strecker

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Rolls-Royce Power Systems

#### Michael Uzielli

Group CFO  
Kantar

#### Paul Verhagen

CFO  
ASM International

#### Simone Vicentini

Vice president,  
Finance Pharma Europe  
GlaxoSmithKline

#### Matthias Vogt

CFO  
SHL Group

#### Beert Wassenaar

Former CFO  
Koole Terminals

#### Enrique Weickert

CFO  
Parques Reunidos

#### Ted Willcox

Financial director  
AVI National Brands

The author would also like to thank the following Heidrick & Struggles colleagues for their contributions to the article: Peter Behncke, Tom Cunningham, Axel de Schieter, Giulia Iuticone, Pedro Lerma, Veronique Parkin, Claudia Schneider, David Sebe, and Jacqueline Wrotniak.

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