

## TEN COMMANDMENTS FOR SUCCESSFUL CFOs

1. **A sound ethical compass.** If the CFO's values are undemanding, the company's will also be wobbly. That may not put it out of business, but it means the company will have to pay a premium for talent. Good people do not like working for organizations whose values they mistrust.
2. **The ability to take unpleasant decisions.** Many judgments must be made on the basis of ambiguous information. CFOs often have to deal swiftly with conflicting demands, often without being sure of all the facts. *That* calls for a strong stomach. Those who cannot bear to inflict pain or risk making enemies, or who need cast-iron evidence before making up their minds, should not apply.
3. **Clarity and focus** are essential requirements for making those awkward judgments. Leading a large company, and dealing at speed with a host of complicated and many-sided issues, is an immense intellectual challenge. To extract the crucial point from complexity is essential for devising an effective strategy. In order to survive the clamor for time and attention, a CFO must also be able to screen out unnecessary noise and to focus on what *really* matters.
4. **Ambition.** The best CFOs are empire-builders who want to create something that outlasts them. That is different from ego-boosting personal ambition. It supplies the ruthless drive and the passion with excellence that are essential components of good leadership.
5. **Effective communication skills** is the result of the increasing intrusion of the outside world into the boardroom: media, analysts, shareholders. All require a corporate leader who can talk convincingly – which is not always the same thing as telling 'the whole truth.' Motivating a large workforce requires a gift to present a clear vision persuasively. A CFO who cannot inspire trust and convey reality, genuineness, and authenticity will find the task to lead difficult.
6. **The ability to judge people** is an essential prerequisite, given the importance of human capital. Judging who will work best in which slot is one of the key tasks of leadership. Like so many aspects of the top finance job, it requires intuition as well as experience.
7. **A knack for developing talent** is needed to build a stock of future leaders. People learn far more about the art of leading from a good mentor than from a great book. Effective CFOs need not only spot where the talents of a particular individual might be best deployed; they must also be teachers, conveying their skills to those around them (and encouraging others to teach their colleagues too).
8. **Emotional self-confidence.** Accumulating a pool of talent requires an ability to work with people who may be better at their job than you are at yours, and to guide and motivate them. CFOs who are jealous of their followers do not inspire loyalty. Self-confidence also allows people to admit to weakness and ask for help without feeling defensive or inadequate. Successful leaders need to be able to say, "I don't know what to do next," without losing the respect of their colleagues.
9. **Adaptability** will prove invaluable when things go wrong. Surviving a reversal calls for resilience and flexibility. It is one thing to spot a change in the market, or in public attitudes, or in the political climate. It is quite another to quickly devise a completely different approach, even if that means abandoning an idea to which a leader has been passionately committed.
10. **Charm** is not a quality taught on MBA courses, but few get to the top without it. A bit of luck helps too.