

Are you a “Master Educator” or “Dr. No”.....?
How do you characterize your interaction with other functional areas?

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I've worked in a variety of companies and the role of the Finance department, specifically the CFO, has been equally varied in their approach to dealing with the other functional areas and defining the flow of financial information.

All of these individuals have played a role in defining my approach on leading the Finance role within a company. With this in mind I heard one of the better questions in a while at a recent FEI function from one of the guest speaker....*“How would you characterize your role...are you a Master Educator or are you Dr. NO?”* What a great question to ask and one that prompts self reflection.

One of my earlier financial roles had me working directly for the CFO who was an ex-Deloitte Partner who many characterized as hard to work with. He was viewed as someone that was difficult and not always embraced by other departments. However, the view that I had of him was that he was an individual that expected a high degree of accountability in not only himself, but others. That he expected commitments to be honored and assignments would be delivered when they were due. There was little grey area. What I also observed though was that he would always strive to understand the other parties points-of-view and to try and make sure that the decisions he was making were always in the best interests of the company. There was no politics, there were no favorites, and there was simply the pursuit of the company's financial goals. While one of the better CFO's that I had worked with, he was probably best characterized as abrasive, but effective.

Another CFO I worked with ran the department in a manner that truly shaped my career and approach as a representative of the Finance department, regardless of role. The Finance department for this one particular company had one of the highest levels of turnover and held very little respect from any of the other functional areas in the company. The department operated in a silo and worked in one of the lowest levels of collaboration I had

seen within a Finance department. The numbers were dictated by the Finance department and delivered as virtual mandates to the rest of the organization. While the company was relatively successful financially, it was certainly not a long-term strategy for delivering internal customer service and creating long-lasting relationships. This approach was best characterized as functionally isolated with little support from colleagues and peers.

The first two examples, along with a few others, gave me a great foundation to deal with a global CFO that I reported to in France. What was clear is that he had a sincere passion for his work and the company, and in many cases his enthusiasm and delivery would overshadow the importance of the message being delivered. Because of this, many failed to see the importance of the message and what he was driving towards. His topics usually included the topics of risk management, key performance indicators, and the absolute need for internal controls. If you were always listening, they was a tremendous amount you could learn from his experience. His approach was probably best characterized as functionally supported and respected, but occasionally cast as the soapbox orator.

As for my style, I have tried to incorporate a hybrid of the first and third, and a complete antithesis of the one that was functionally isolated. It goes without saying that the Finance department cannot function effectively if functionally isolated. So my approach has been to be incorporate some of the following approaches.

1. Leave out the politics and focus on best practices and corporate financial performance.
2. Play no favorites and understand the value that each area contributes.
3. Educate each employee and area on the financial goals and their role.
4. Play the role of corporate steward and identify areas of risk & opportunity.

5. Drive performance through improving processes, products, & individual performance.

The key to some of my recent successes has been to work in a truly collaborative environment with every functional area of the company. I strive to work with every employee and area to help them understand their role in the greater corporate goal and the impact that their decisions have on the financial results. While every Manager or Director always has their wish list for everything they need to make their department the best it can be, the list can usually not be accommodated in the time frame that they would like. Their list will likely mean a 2-3 year planning window or more while your annual budget is just that....an annual plan.

What resources does that Manager need to accomplish their corporate objectives for the next year? That's the question that I try to understand and discuss with them. The position is not one of "No", but a position that we have a limited amount of resources for the coming year and part of that is going to be dedicated to their area to support their initiatives. My goal has been for them to understand that I am clear about what they need for the longer term and this is a first stage and we will continue to offer them the support they need. I have found that it comes down to the delivery of the message and the relationships that you are able to develop with each functional area.

I also touched on this same topic in one of my other white papers, [Who Owns the Budget?](#), which discusses my approach to the annual planning process and where the true accountability should be placed for the Budgeting and Forecasting process. Yes, Finance is the one who ultimately has to validate the plan, but it's the individual Managers and Directors who know best what resources they need, what sales they will be able to achieve in their given sectors, and in what time frame it can be accomplished. I believe that in taking the "Master Educator" approach that this has been achieved and I have been able to develop strong corporate relationships.

All of the individuals that I have worked with have shaped the manner in which I lead the Finance department and work with other areas in an organization.

1. Instill high levels of accountability on myself and those that work for me.
2. Treat all company employees as "internal customers" who deserve the highest level of customer service.
3. Provide the necessary information and support for other departments to support your financial information needs.
4. Collaboration leads to support and mutual respect.
5. Cross-functional support leads to shared values, pursuit of performance, & achievement of financial goals.

How would you characterize your leadership style?

Are you a Master Educator or a Dr. NO?

Thanks for reading.....

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