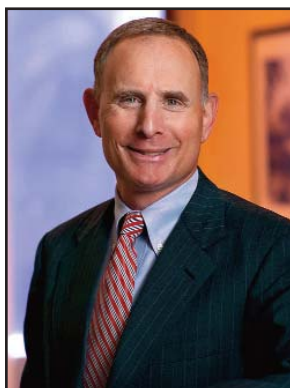


How to Keep Your CFO Job amid the Crisis: Headhunter Tips

By Marshall Krantz



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When the shooting starts — literally or figuratively — the best advice is usually to keep your head down. But some executive recruiters counsel that now is not the time for timidity.

In this current economic turmoil, they say, CFOs and other senior finance people can better prove their worth if they instead raise their

profile, facing the challenges that beset their companies head-on.

"Be bold — careers are made during a crisis," says Scott Cuellar, managing director of Cavoure, a Chicago-based boutique recruiter. "Take the biggest challenge in front of your function or business and put energy into it and make tough decisions. If the prevailing wisdom might be safety and if the facts support a different, measured action that counters the organizational thinking, that's an opportunity for finance executives."

Cuellar notes that finance people are being tapped to explain the economic crisis and to help navigate through it. "Boards and CEOs expect the CFO to be on the forefront of assessing potential impacts on their own companies and the business environment in their industries," he says.

Jo Bennett, a partner with Battalia Winston in New York, echoes Cuellar's sentiments. "You really need to be at the top of your game right now," she says, "and that doesn't mean closing the books a day early. CFOs should make sure that every day they know what's going on in the broader markets and how that affects their companies. Read everything you can get your hands on."

Given the continuing credit crunch, CFOs should especially focus their attention on access to credit, not only for their own companies but also in terms of how the credit situation may affect their customers.

"Look at the creditworthiness of your customers to see if there's a risk," says Bennett. "A once-steady customer may go away because it can't get credit to operate its business.

"CFOs need to do a lot of worst-case analysis," adds Bennett. "They need to have not only a Plan A, but a Plan B and even a Plan C."

Barry Bregman, a partner with CTPartners in New York, argues that maintaining access to credit is one of the most important tasks facing CFOs at present and in the near future. "You've got to be laser-focused on capital structure and funding sources for the business," says Bregman, who specializes in the financial-services industry. "You need to maintain strong relationships with banks, rating agencies, and investors. There's more focus now on strong communications and transparency with key constituents."

That's not to say compliance has fallen by the wayside, especially at a time when the government is looking even harder at the operations of financial-services companies. "CFOs should make sure they have their eye on that ball and that they have the right people managing those functions," says Bregman.

But having the right people within the finance organization for specific functions will probably prove harder, because CFOs will likely face staffing freezes or cutbacks in this down economic environment. "Leadership is going to be important to keep staff motivated and focused," says Bregman. "It's going to be a delicate balancing act between making tough decisions on staffing levels and keeping folks motivated."

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As the economy verges toward recession, CFOs also must make tough decisions — or at least tough recommendations to CEOs and board members — about other possible cuts in expenditures as well as curtailing investments, such as whether to invest in growth or new technology.

"The fourth quarter is budget season for most companies, and the plans for '09 are looking a lot different than a few months ago," says Bregman.

Cavoure's Cuellar adds that risk management is a highly valued skill at present across industries and that finance people should take the opportunity to showcase their skills whenever they can.

Over and above any specific skill, the trend toward employers demanding that senior finance people possess broad-based skills will likely intensify as board members and CEOs now more than ever demand that their CFOs perform as business strategists and leaders, according to Cuellar.

He recommends that finance people more vigorously pursue opportunities that broaden their résumés. "People should be open to moves within their own organizations, or even in other organizations, that might appear to be lateral moves," he says, adding, "Know and anticipate what critical issues your company will likely face and how they might impact your role."

In short, the current economic crisis further pressures CFOs and other senior finance people to up their game.

Says Bennett, "Now's not the time to take a vacation."

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