
THE CHANGING CFO

June 23, 2009 - CFO Alliance NYC
Fordham University Graduate School of Business

Presented by
Dr. Howard Tuckman
Professor, Finance & Business Economics



FORDHAM UNIVERSITY
THE JESUIT UNIVERSITY OF NEW YORK

Overview of Event

We had a lively group discussion led by Professor Howard P. Tuckman, PhD, of Fordham University Graduate School of Business centered on "The Changing CFO." This event, held at the University Club in mid-town Manhattan launched the CFO Alliance in New York City.

Dr. Tuckman led our group of 50 CFOs from the region, representing various industries, including manufacturing and wholesale distribution, retail and apparel, financial services, real estate and construction, not-for-profit and healthcare in a discussion, dissection and debate on the challenging environment that CFOs currently face and the impact it has on them and on their tactical and strategic responsibilities.

Nick Araco, Jr., Esq.
Executive Director, The CFO Alliance

Summary of The Changing CFO

“Today's CFO must be something to everyone: the firm's top accountant, the CEO's strategic partner, the gatekeeper for new initiatives, the chief metrics officer, the head of financial reporting compliance, spokesperson for external constituencies, and the board of directors' (or at least the audit committee's) new best friend. And in this post-Enron, post-Worldcom, post-Tyco world, the CFO must be as squeaky clean as Clark Kent. She, or he, must be the Super CFO.”

Jonathan Karpoff
Norman J. Metcalfe Endowed Professor in Finance, University of Washington

New Skills for CFOs

As the business environment has changed, so has the CFO skill set evolved to meet new demands. An analysis of the 'Old Skills' of the CFO vs. the 'New Skills' required to navigate as a financial leader in today's world showed a shift in perspective. The comparison highlights a move from internally focused skills to a stronger emphasis on external skills such as strategic development and knowledge of a global environment.

New Skills:

- Formulate and execute strategies
- Able to deal with rising stakeholder expectations
- Staying ahead of an increasingly complex competitive landscape
- On top of new technologies
- Plugged into the changing regulatory environment
- Able to oversee and 'own' risk management
- Comfortable in a truly global environment

New Areas of Balance

An external focus on skills is also reflected in the greater pressures on CFOs to balance the drive for revenue generation and increased shareholder equity with ethical decision making and socially responsible practices.

Three Areas of Balance:

- (1) Transparent Creativity
- (2) Ethical Profits and
- (3) Strategic Revenue

For more information on these, please refer to presentation document.

Economic Factors

The Areas of Balance must always be weighed with the knowledge of economic challenges facing businesses around the world. Some of the challenges that are top of mind, or should be top of mind, for today's CFOs are:

-
- Predicting timing and shape of recovery
- Dealing with potential inflation and deflation at same time
- Dealing with tighter rules for credit
- Factoring in differences in global recovery
- Protecting the supply chain
- Securing equity capital

Conclusion

The complexities of the changing markets are forcing CFOs to adapt to new pressures and new demands. They need to have competitive knowledge and an external focus to survive this new environment – the old statistician skills just won't cut it anymore.

Thank you,
Howard Tuckman, PhD



Graduate School of Business
Communications Department
Celia Cameron, Director
212-636-6168
ccameron@fordham.edu