

THE CHANGING ROLE OF FINANCE PROFESSIONALS

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BACKGROUND

The role of finance officers is rapidly changing
From scorekeeper to value adding business partner

In place of the tradition scorekeepers and tabulators, both accounting and finance personnel now find themselves operating in cross-functional teams working to identify:

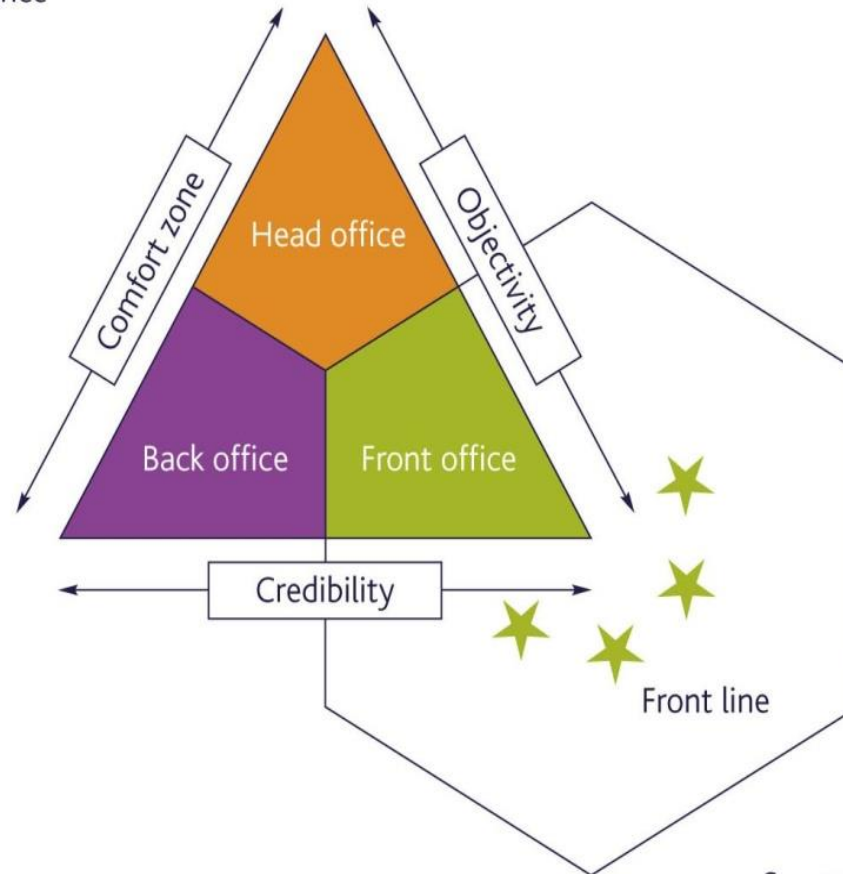
- new business opportunities
- streamlining operations
- contributing to decision making
- improving profitability

THE NEED TO TRANSFORM

1. Changes in the external environment such as new competitive success factors, disruptive technology, the regulatory environment and shareholder demands.
2. Managers within the business demanding for better information and support to cope with the challenges of a more competitive marketplace and changing customer needs.
3. Growth to management positions
4. A call to team work

FINANCE TRANSFORMATION AND THE OPPORTUNITY TO TAKE ON A BROADER ROLE

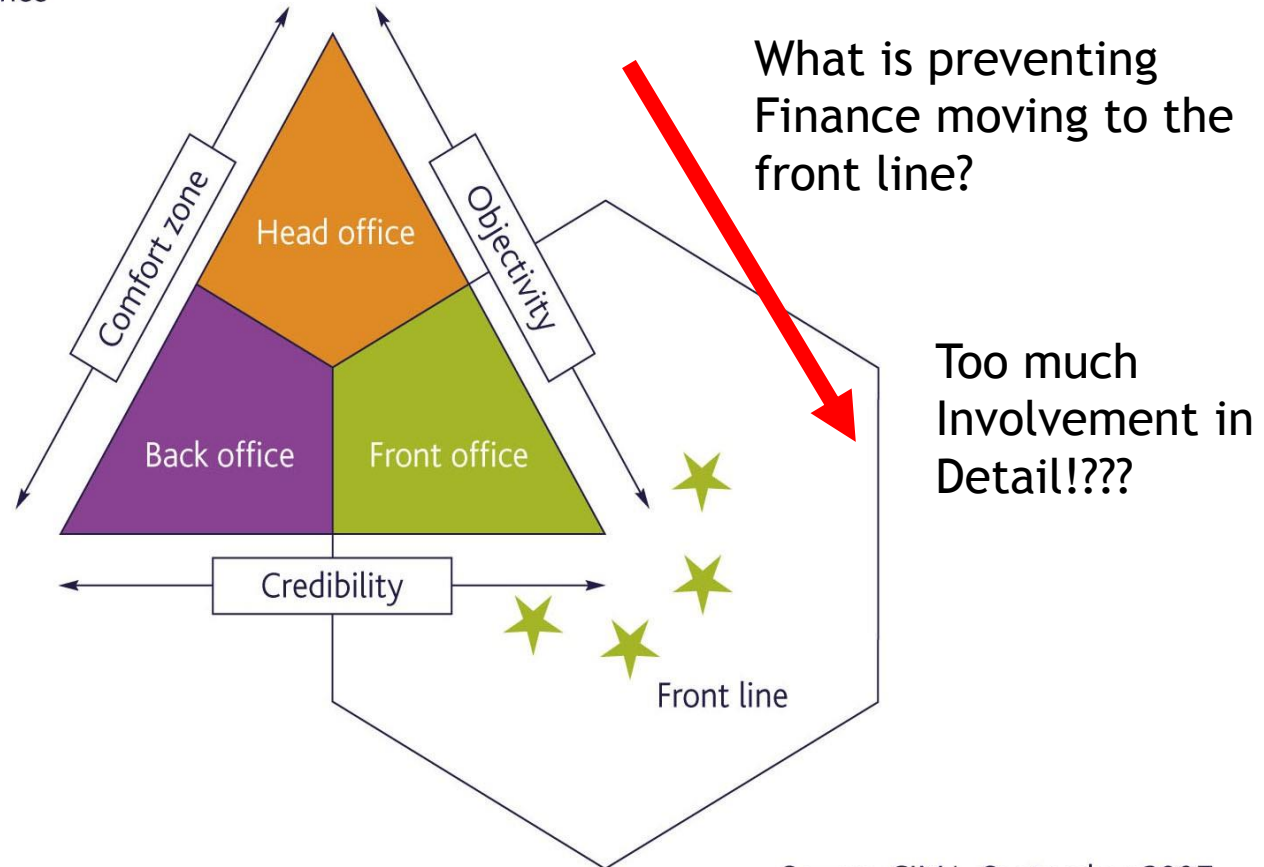
The challenges for finance



Source: CIMA, September 2007

THE CHALLENGES FOR FINANCE

The challenges for finance



Source: CIMA, September 2007

THE STRATEGIC ROLE OF THE FINANCE PROFESSIONAL

1. DRIVING AND INFLUENCING ORGANISATIONAL STRATEGY

One of the core capabilities that finance professionals should acquire in order to move towards world-class performance is developing skills and competencies to provide strategic insights to the organisation.

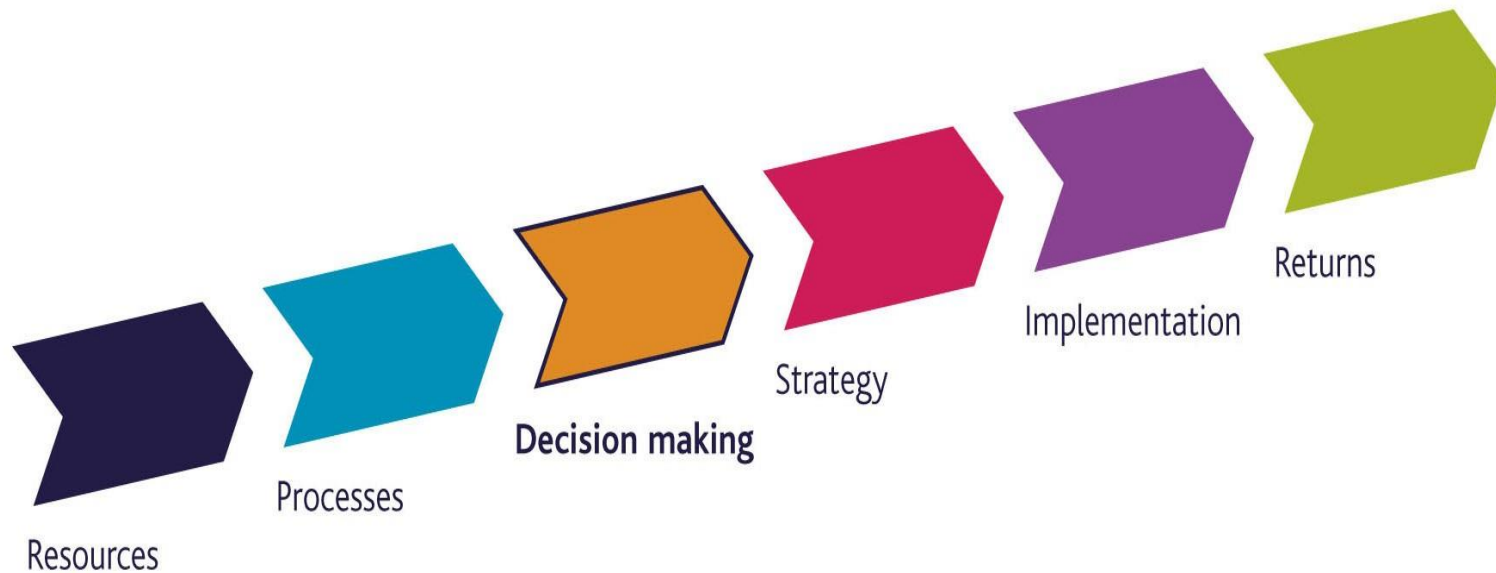
2. STRATEGIC MANAGEMENT AND CORPORATE STRATEGY

Help to develop strategies for managing value and growth. Strategic involvement includes developing:

- robust strategic processes
- advising on major investments
- product developments
- asset and infrastructure investments
- working with operational and business managers
- advising on issues such as current and expected business mix, capital structure etc
- risk return profiles
- analytics

3. DECISION MAKING

Why is decision making so important?



Source: CIMA, September 2007

4. PERFORMANCE MANAGEMENT

- Which parts of the business are creating value?
- What are the real drivers of our performance?
- Which customers and products are profitable?
- How are we performing relative to the competition?
- Which customers are delivering the bulk of our profit?
- What is driving cash generation ?

5. BUSSINESS PARTNERS

Effective finance business partners are:

- Managers for value - those who understand how to deliver sustained shareholder value
 - Keepers of the business model - ensuring that the whole organization understands key performance drivers
 - Pursuers of efficiency - from the investment base ,working capital, brands, etc
 - Executors as well as strategists - understanding that flawless execution is as important as strategy
 - Confidence providers to stakeholders
- ⦿ They must:
- Understand the key business drivers
 - Develop influencing skills
 - Be proactive

6. MANAGERS

- People
- Systems
- business

SKILLS REQUIRED

SKILLS

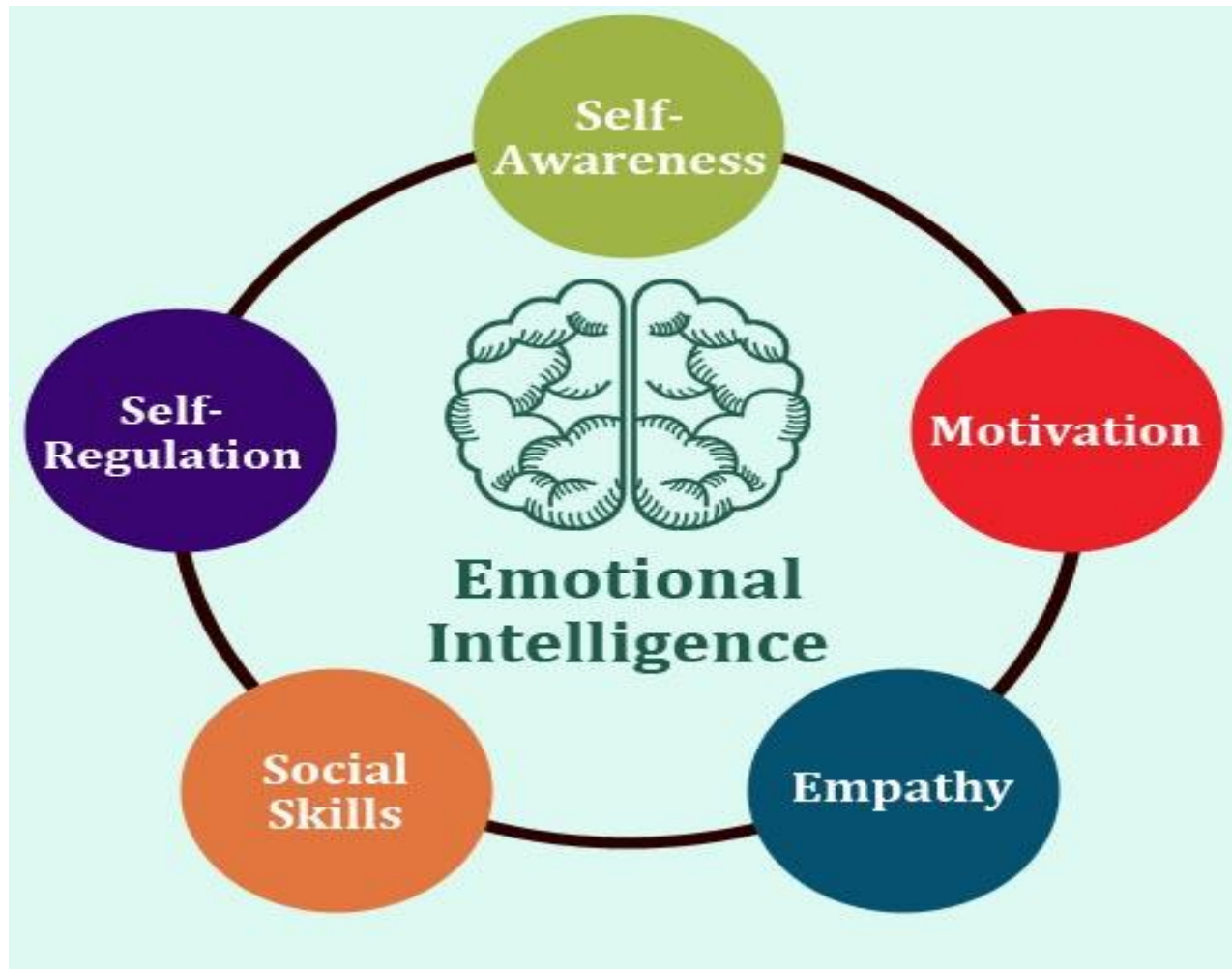
- ◉ 1. GROWTH MINDSET- thoughts, attitudes, beliefs

GROWTH MINDSET



- ◉ 2. COMMUNICATION- The only way to lead change
- ◉ 3.. COURAGE AND CONFIDENCE: to do what is right and challenge others. Bold to see the see the big picture and assure others that what you are doing is right.
- ◉ Confidence: accept yourself as you are and recognize that there will always be someone better than you

4. EMOTIONAL INTELLIGENCE



- ◉ 5. COMPETENCE: do your job and make key decisions
- ◉ 6. CONTINUOUSLY IMPROVING: drive to aggressively evolve business and self

Thank you

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