



Max Messmer, Editor

# 10 Qualities of Successful Financial Executives



Being an effective financial leader is no easy task. Heightened expectations from investors, tighter government regulations, global business competition, and rapid technological developments are adding to the list of growing demands on those serving in senior

management roles. Financial leaders have always been key to the successful running of an organization, and the skills and expertise required go beyond a grasp of the numbers.

As recent winners of the Financial Executive of the Year Award (FEYA)—sponsored by the Institute of Management Accountants (IMA®) and Robert Half International Inc.—have demonstrated, it takes a variety of qualities to make an impact. Here are 10 success factors shared by FEYA winners past and present.

**1 Integrity.** A commitment to ethics should always be the cornerstone of every accounting department, but today this attribute isn't just part of a corporate mission statement. Accounting scandals and resulting government legislation have placed a spotlight on professional in-

tegrity. The best financial leaders are respected and trusted, setting the tone for the entire organization through their ethical behavior and straightforward communication.

**2 Fearlessness.** Successful executives are willing to take a stand on controversial or risky matters. They have the confidence to challenge decisions made by other leaders in the organization, such as what they perceive to be a bad move into a new line of business or a potential alliance that isn't in the firm's best interests. They have a reputation for asking the difficult questions during meetings, negotiations, and other discussions.

**3 Command of both technology and finance issues.** Efforts to safeguard the integrity of financial data and to improve efficiency

through sophisticated systems and applications have blurred the line between accounting and information technology. Award-winning financial executives are frequently just as knowledgeable about firewall systems and servers as they are about gross margins and depreciation expenses. They are capable of identifying technology strategies that will help the organization maximize productivity and achieve cost savings.

**4 The ability to wear many hats.** Financial leaders are pulled in many directions—providing advice on a business deal one minute and offering input on a purchasing decision the next—which makes it a challenge to keep constant tabs on growth and cost-reduction strategies that will impact financial results positively. Top executives are time-management experts who balance a variety of demands while never losing sight of key accounting issues.

**5 Skilled at motivating and inspiring others.** Successful financial leaders also bring out the best in those around them. They give their employees the autonomy and re-

sources to do their jobs. A common quality among FEYA winners is their support of training and internship programs. Many also serve as mentors and play active roles in the education community, ensuring that future generations of accountants have the necessary skills and guidance to get ahead in the profession.

## **6 Eagerness to embrace change.**

The best leaders recognize that change is a constant and keep a flexible mind-set when it comes to modifying company policies and practices. They view their accounting teams as the “enablers” of the organization, helping to address new business developments successfully. Not only do successful financial executives encourage their staff to exercise their creativity, but they also support those who challenge the status quo.

**7 Vision.** Financial executives must have a strategic mind-set, always taking note of trends that have the potential to impact their

companies. Many previous FEYA winners working at private companies have implemented measures to comply with Sarbanes-Oxley despite being exempt from the regulation. Some put the necessary documentation, controls, and feedback in place well before the legislation even existed.

## **8 Strong communication abilities.**

Today’s financial executives frequently take the lead in critical business discussions, negotiations, and presentations. They must be able to communicate complex information effectively and field challenging questions with ease. They’re clear, concise, and persuasive with their messages, whether made verbally or in writing.

**9 Interpersonal skills.** Financial executives must collaborate with a wide range of people from other executives and board members to investors and representatives from regulatory agencies. The best leaders are masters at navigat-

ing office politics, unequivocal in their convictions and public statements, and yet able to tailor their interpersonal approaches to suit the backgrounds and priorities of different individuals.

**10 Accessibility.** Many managers say they have an “open-door policy” to promote teamwork and encourage feedback from employees. Frequently, however, staff view these policies as nothing more than words when they find those supposed open doors so often closed. Top executives eliminate barriers by having a visible presence in the department, interacting with employees as frequently as possible, and encouraging staff to welcome all who approach them, regardless of their rank in the organization.

Financial leaders who exhibit these 10 qualities tend to make lasting, positive impressions at their own companies and in the business community in general. ■

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**IMA and RHI thank everyone who submitted FEYA nominations this year. Winners will be announced in the October issue.**