

A Strategic CFO's Perspective by Kathy Graham

There are three types of CFOs in the world today and none of them are likely to go extinct in the near future. Their roles and compensation are quite different, however, so IF you're a CFO, the question becomes:

- **As a CFO, who are you today and who do you want to be tomorrow?**

The three CFO types are:

- **CLASSIC CFO:** the steward of the company's financial history, internally and historically focused.
- **STRATEGIC CFO:** works with multiple ERP systems recent data and KPIs, coordinating finance across departments.
- **THE CEO's PARTNER:** with real-time end-to-end information from digitalized system, anticipating pivots and changes NOW to react NOW to factors changing NOW.

Mike Anderson, CFO for Thunderbird, LLC, a private equity firm whose portfolio of companies is "Taking American Manufacturing Companies to Greater Heights," agrees that "the classic CFO is here to stay, because [companies] need clarity in numbers: the basic financials, standard costing and absorption, impact of changes in inventory on financial, inventory obsolescence and reserves, etc..."

In this COVID-19 period, cash forecasting, treasury and bank relationship management, and cost reduction are particularly valuable Classic CFO functions."

As for what type of CFO Mike is, "I'm a strategic CFO. The strategic CFO doesn't just report the numbers, but helps interpret and drive decision making across the whole organization...whether it's analyzing acquisitions and markets to target, maximizing product and customer profitability through pricing changes or exiting customers, anticipating market events and the impact on profitability, evaluating manufacturing operations, reviewing hedging options, how and where to invest capital for growth, etc.

I enjoy being the translator from the Controller to the CEO and executive team. I still drill down into the details with the Controller, followed by refocusing to "big picture" where I help formulate the company's strategy in this fast-changing global environment."

Fascinating perspective, Mike.

If you would like to hear more on the role and branding of each type of CFO, how to align your chosen CFO brand with the economic environment your company is facing today/tomorrow, and how to change or tweak your CFO brand to influence key stakeholders and gain the highest ROI personally and for your corporation, I'll be discussing these topics at AICPA & CIMA ENGAGE 2020 on Friday, July 24th from 1:30pm to 2:20pm Central Time in the session "REBRANDING THE CFO: CHANGE STARTS TODAY!" This virtual session is highly interactive and focused upon answering YOUR QUESTIONS.

- Use the code ENG20FIN to save \$100—the conference started Monday and any sessions you missed can be watched later via your access to the recordings of all sessions.