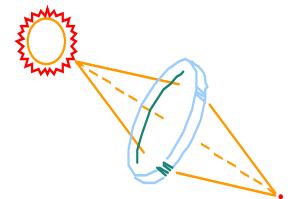


What it takes to become an outstanding CFO


Presentation to Finance Executives International

Wednesday 28th July, 2010

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Contents

- 
- Our work assessing executive talent
 - Leadership competencies linked to executive success
 - Comparing Good to Outstanding Finance Executives
 - How to think about potential
 - The way forward: How to think about development

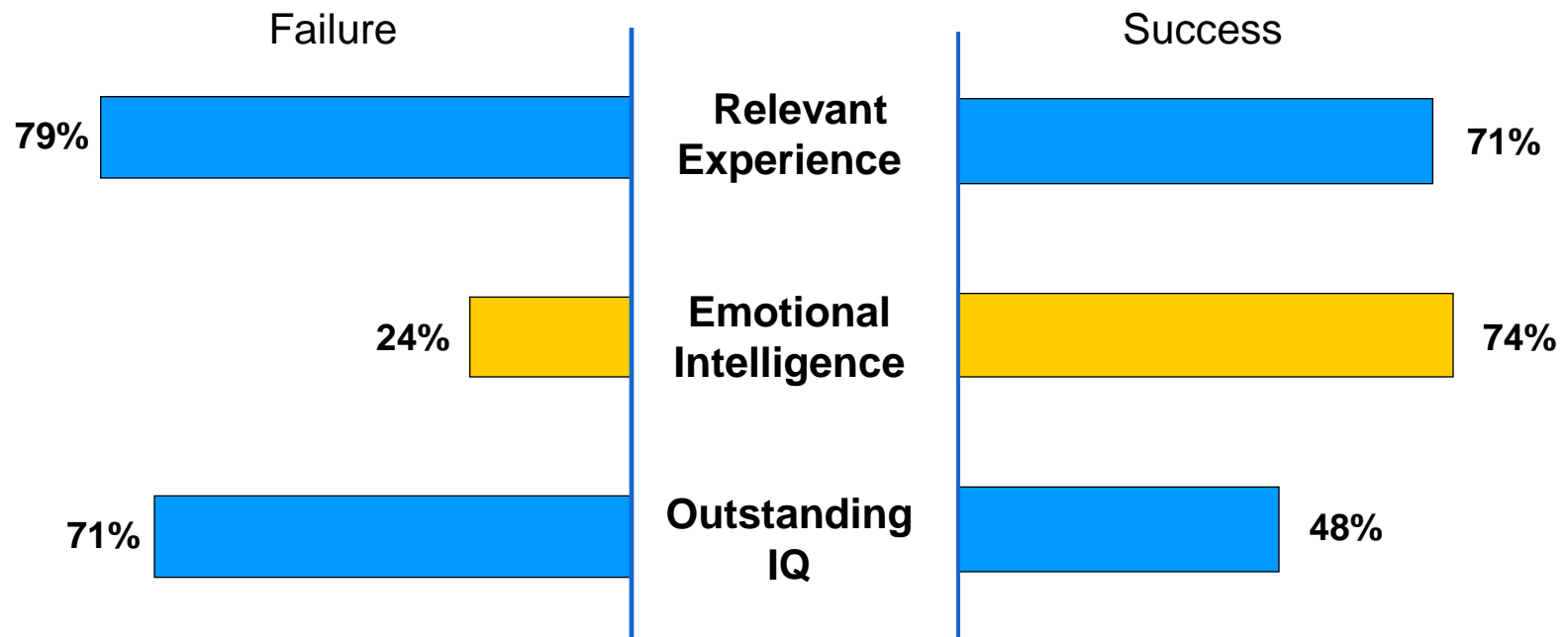
Background on Egon Zehnder International

Summary

- One of the largest privately held retained search firms worldwide – 63 offices in 37 countries, 360+ consultants (11 consultants in Australia)
- Core practice areas:
 - Executive Search
 - Management Appraisal and Team Effectiveness Services (Leadership Strategy Services)
 - Non-Executive Director appointments and Board Reviews
- Global Industry and Functional Practice Groups:
 - Financial Services
 - Lifesciences & Healthcare
 - Technology & Communications
 - Consumer
 - Industrial Services
 - Private Capital
 - Government & Non Profit
 - Finance
 - HR
 - IT
 - Legal
 - Sustainability
 - Marketing
 - Supply Chain

Emotional Intelligence outperforms IQ

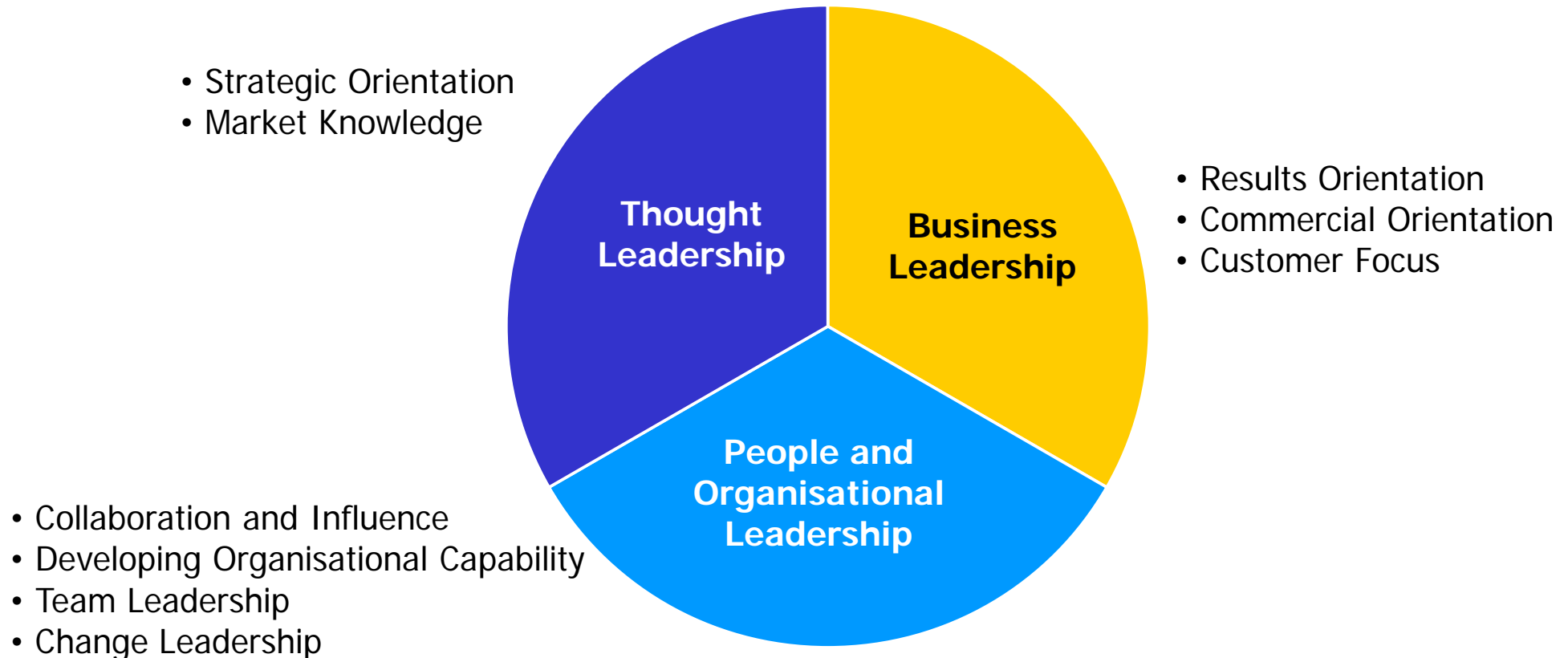
Profiles of Failures vs. Successful Hired Candidates



Note: Analysis of 500+ hired candidates from three geographical areas (Germany, Japan and Latin America). These profiles were almost identical for the three cultures analysed.

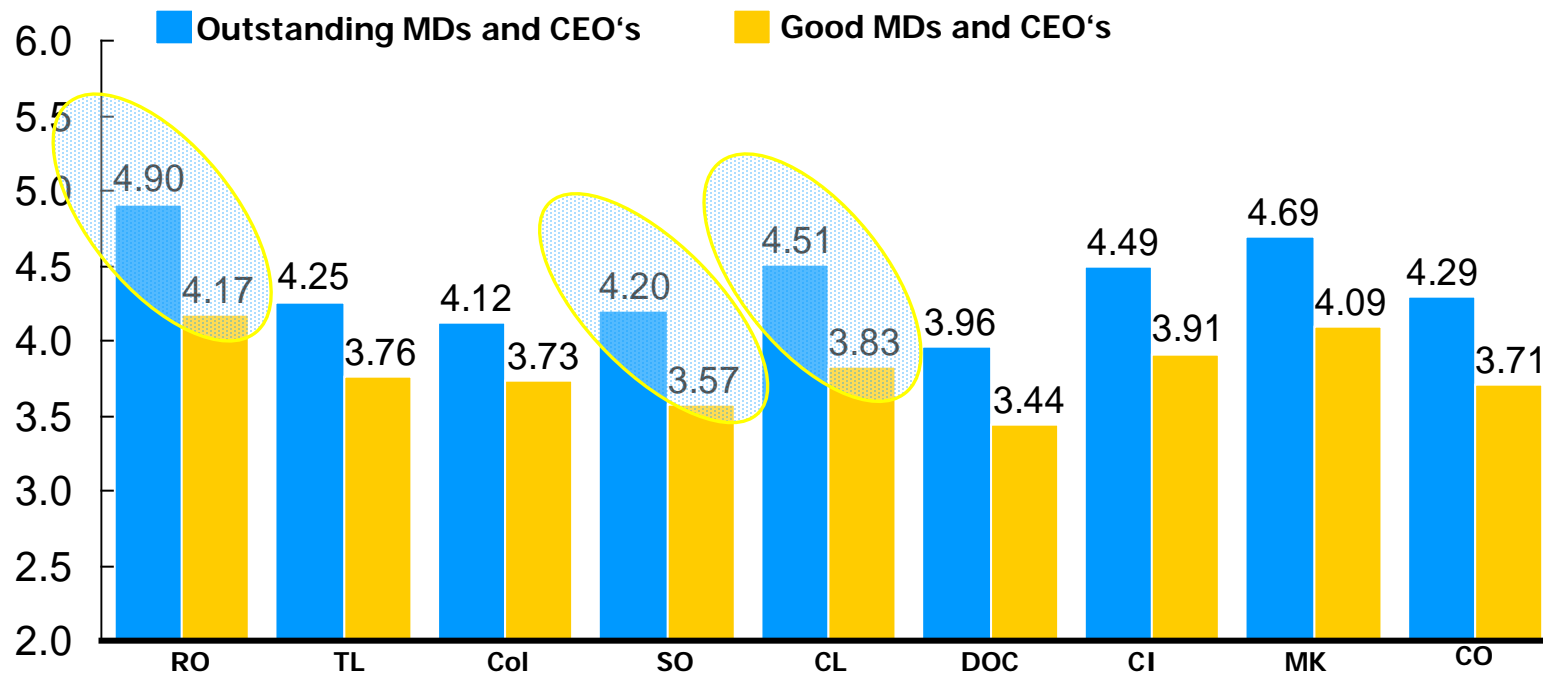
Nine competencies are most predictive of Executive performance

Egon Zehnder International – Leadership Competencies



Results Orientation, Strategic Orientation and Change Leadership most distinguish “Outstanding” from “Good”

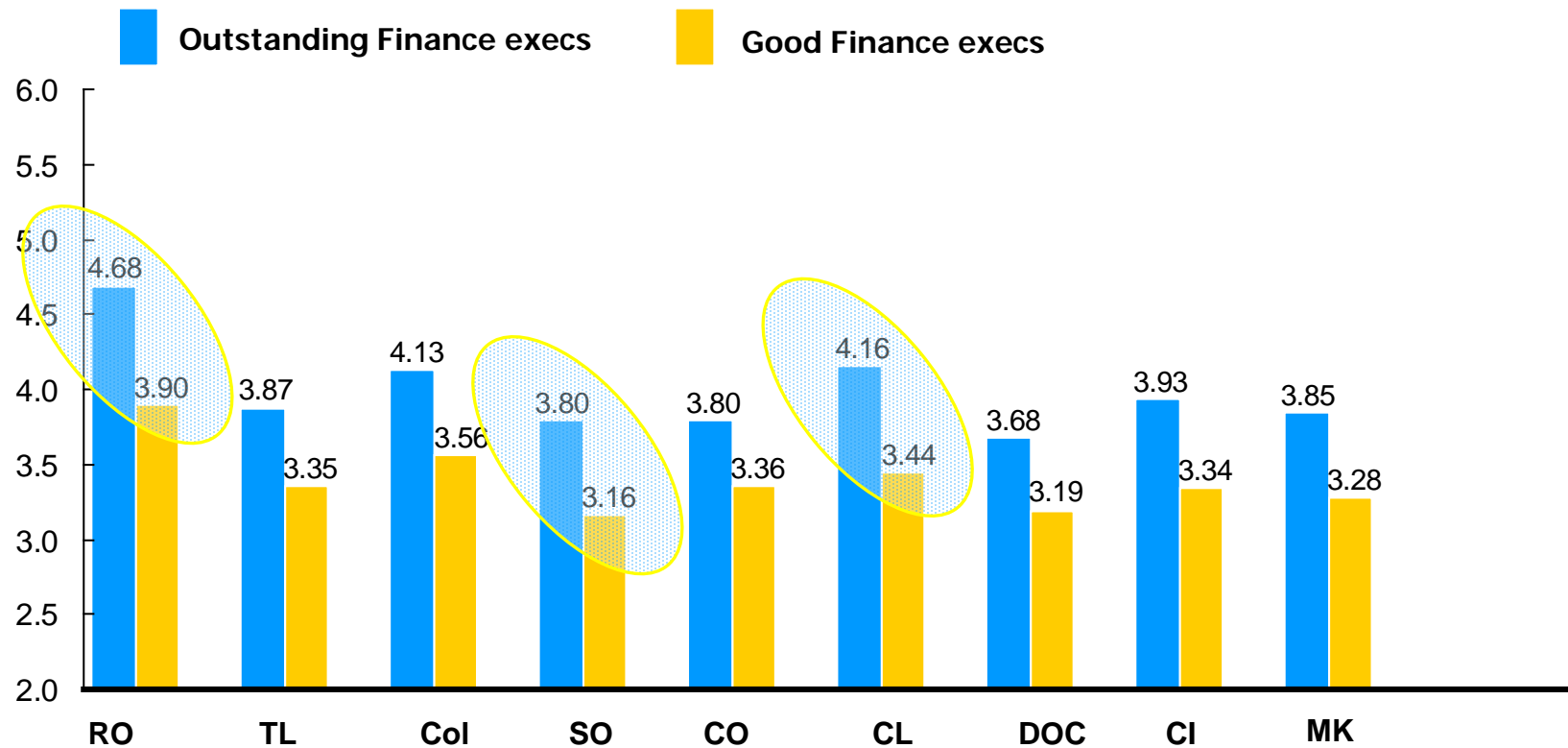
Comparing “Outstanding” and “Good” by Competency: CEO’s and MDs



Note: **RO** – Results Orientation; **TL** – Team Leadership; **Col** – Collaboration & Influencing; **SO** – Strategic Orientation; **CL** – Change Leadership; **DOC** – Developing Organisational Capability; **CI** – Customer Impact; **MK** – Market Knowledge; **CO** – Commercial Orientation

The same competencies distinguish “Outstanding” Finance Executives

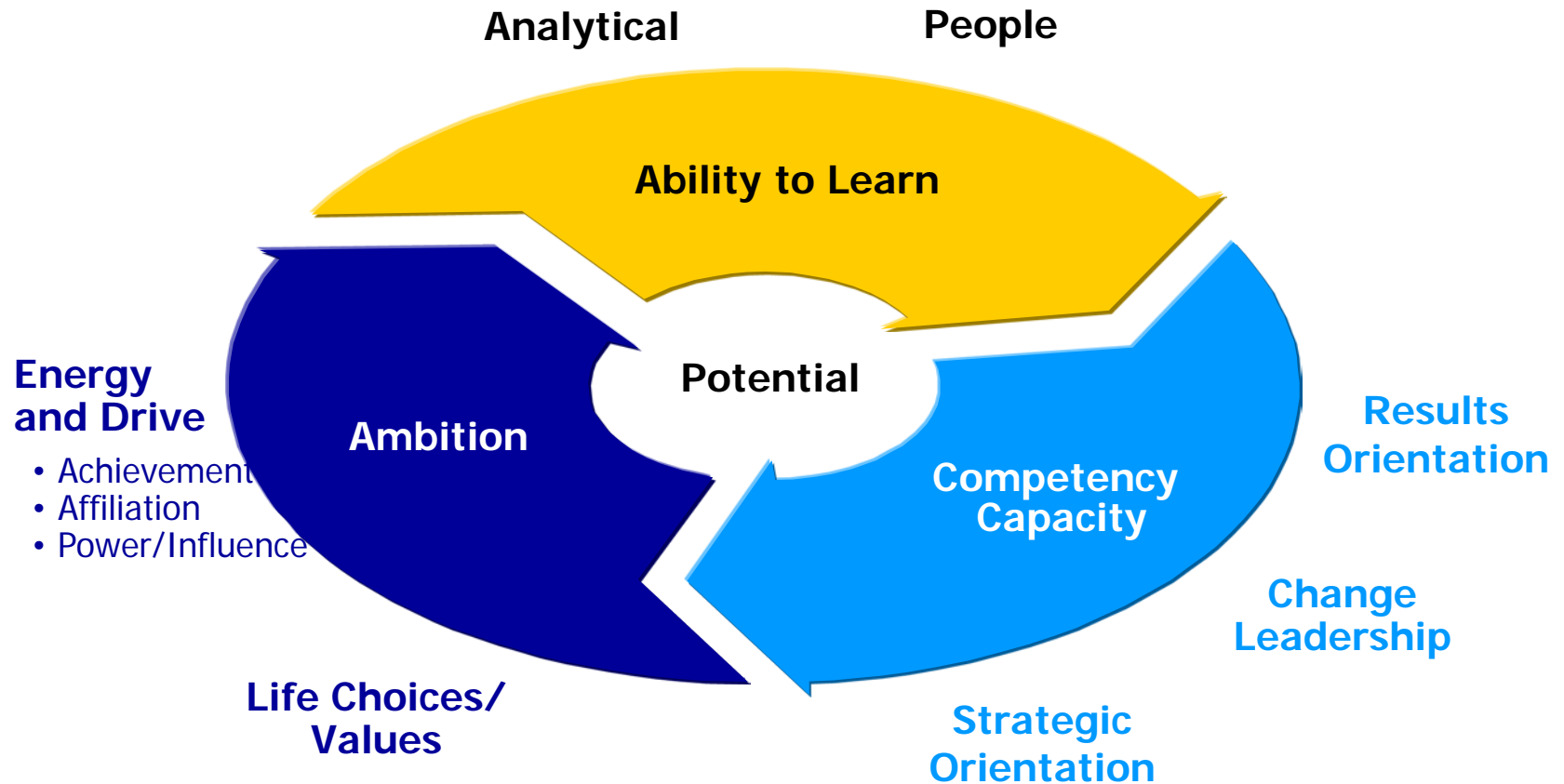
Comparing “Outstanding” and “Good” by Competency: Finance Execs



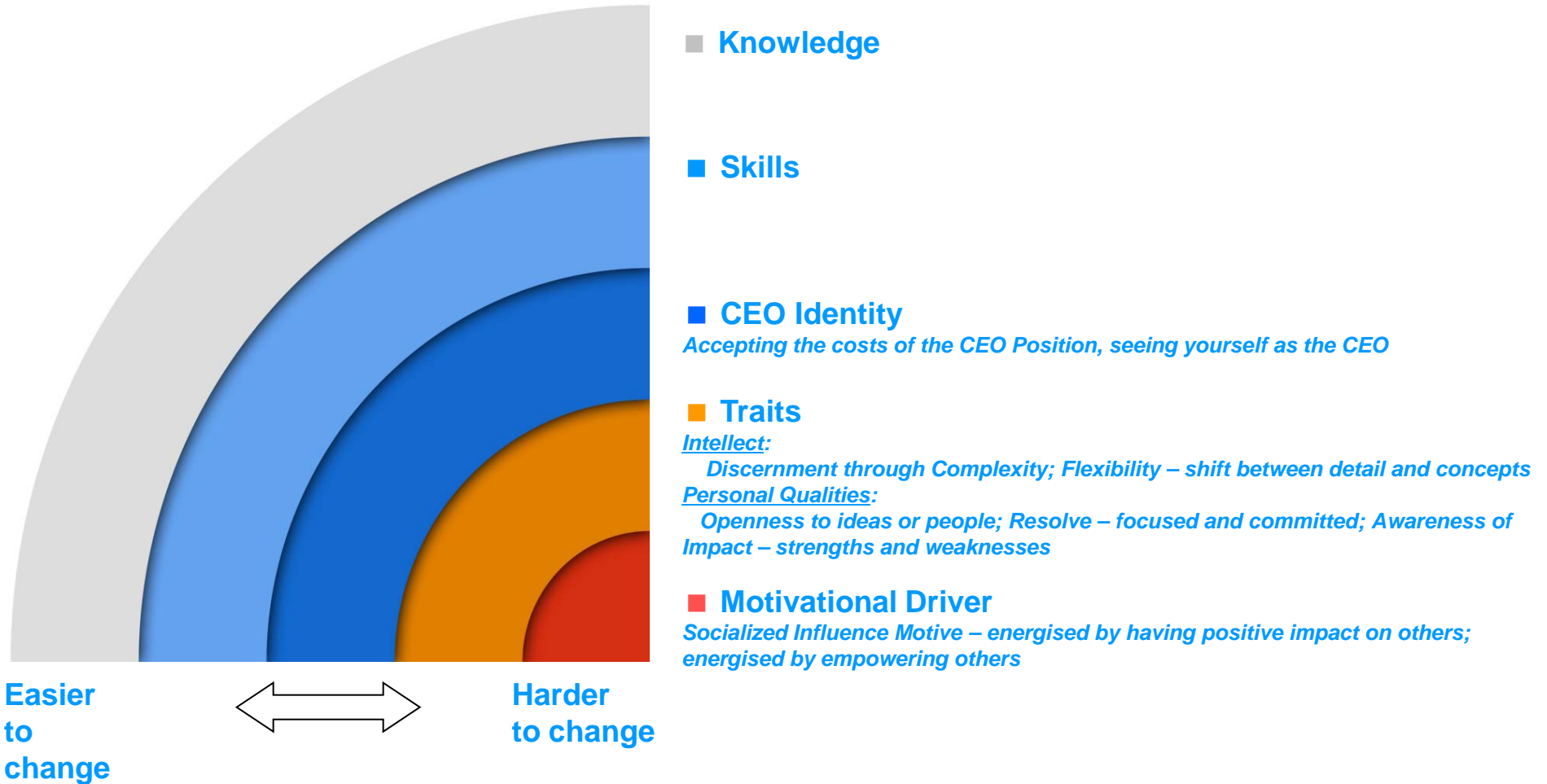
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Sample of approximately 1000 finance executives

These are also the competencies that are most highly correlated with our model for potential “promotability”

Assessing Potential – Egon Zehnder International’s model



There are some specific identifiers for C-suite Potential



Effective development planning is based on development approaches that address root causes

Development Approaches

Root Causes	Education		On-the-job Experience				Developmental Relationships	
	Self-directed Learning	Training/Formal Education	On-the-job Activities	Short-term Assignments/Project-based	Expanding/Modifying job	Outside the Workplace	Mentoring and Support from others	Coaching
	Knowledge	●	●	○	○	○	○	○
Skills	○	○	●	●	●	●	○	○
Identity	○	○	○	○	○	○	●	●
Trait	○	○	○	○	○	○	●	●
Motivational Drivers	○	○	○	○	○	○	○	●

● Primary Approach
 ○ Possible Approach

The way forward

How to Improve

- Executives can improve their overall performance by working on those critical leadership competencies
- Individuals who are focusing on improving a particular competency require on average 6 months to improve by one level in that dimension
- Moving from good to outstanding in all competencies requires at least 3 years, assuming the appropriate and effective development plan and follow-through
- Becoming strong on one dimension, but not evolving on the others, is not likely to take you from good to outstanding
- Competencies that are impacted by individual traits and motivations can be more difficult to change or develop