

## Succession in Action - Growing to CFO Level

*By Charlie Lang, Managing Partner & Founder, Progress-U Group*



When Tom, the APAC CFO based in Singapore - now in his late 50ies – hired Jessica, he did so with his own succession in mind.

Jessica was employed as Finance Director responsible for Singapore and Malaysia of a ‘chaebol’, one of the large South Korean multinationals. Jessica, a

Singaporean who earned an MBA with distinction from Columbia University, USA, worked her way up to Regional Financial Controller in a larger Japanese company. She was headhunted from that company and appeared to be a perfect fit for what Tom was looking for: still reasonably young (she was 36 at the time she was hired), a driver, very intelligent, great track record and international exposure. An ideal candidate to replace him when he would retire a good two years later.

Tom unfortunately couldn’t spend a lot of time with her during her first year or so due to his very heavy travel schedule. But he made sure to get a lot of feedback from people Jessica was working with. He was anxious to see if his great impression from the interviews would also be confirmed in her daily work.

From a purely technical point of view, his expectations were fulfilled, if not exceeded. She ensured high quality work in her team and also brought some innovations into the finance area that would help making this function more effective and efficient beyond Singapore and Malaysia.

From a leadership point of view, however, there were some challenges and things were not as rosy. He felt that Jessica often took too long to make decisions and seemed to hesitate longer than necessary. While a certain degree of risk-averseness is desirable in the finance function, Tom felt that in Jessica’s case it was too much and that she seemed to wait for others to make important decisions for her. Also, while she seemed tactically strong, Tom expected more from her strategically. He felt she was too transactional.

Also, her team members eventually grew tired of Jessica’s repeated mentioning of her previous company, how things were better there, etc. Even though most of her direct reports were Singaporeans and Malaysians, they didn’t appreciate the constant comparison between her previous Japanese and their current Korean companies.

Last, not least, her team members complained about Jessica's lacking empathy with challenges they were facing. While they appreciated Jessica's expertise and high standards, they felt they were often pushed too much without getting sufficient understanding and support when they had difficulties to deliver on her expectations. They used words like 'selfish' and 'distant' when Tom asked for their feedback.

While Tom saw still the great potential of Jessica, he grew increasingly worried that without any significant development in these areas, her promotion to his role might end up in a failure. He decided to have a word with both John, the Regional VP HR as well as with Jessica.

Confronted with the feedback, Jessica was initially a bit defensive but eventually admitted that she might need to develop a more strategic approach and that she would also want to learn how to be more inspirational with her team members. For the feedback on decision making, she was surprised as she operated in the same way in her previous company where she often received praise for her decision approach. The review ended with the agreement that she would benefit from development in these areas and that Tom would talk to John about possibilities to support her.

John confirmed that he heard similar feedback about Jessica and agreed also that it would be worth investing in her development. He learnt from one of his peers in another company about a similar case – a young, promising finance talent who lacked some essential leadership attributes – and how he successfully transformed over a period of less than a year. He shared with Tom the details of the program this talent attended.

Tom was bought in when he saw the comprehensive structure of the program and its strong track record. Unlike other leadership programs he himself attended in the past - which he felt had only little impact - this program was not a one-off, but included:

- Various assessments to gain deeper insights into own tendencies, strengths and areas for development
- 4 One-Day Workshops on relevant leadership topics over a period of over 8 months
- Peer Learning Group Sessions to discuss how to apply the learning from the workshops in their own finance leadership practice
- 1:1 Executive Coaching Sessions to address individual challenges and concerns
- 1:1 Mentoring with experienced CFOs from different companies
- Networking dinners with all mentors, coaches and alumni

As Jessica went through this learning journey, a number of her approaches changed and she seemed to further mature as a leader, putting her on track to eventually succeed Tom:

- In the module on cross-cultural and virtual leadership, she learnt why in her previous Japanese company her decision approach was seen as a strength and why it was seen as a weakness in her current company and how she could change

her approach. The module on leadership agility also helped her see the importance and benefits of being more agile in a finance leadership role.

- She got the insight through Harrison Assessments and the 1:1 coaching why she was perhaps overly risk-averse and how her high degree of self-criticalness was contributing to it. In the 1:1 coaching she learnt how to become less self-critical and develop a healthier self-esteem. This had the added benefit of her becoming more resilient in tough situations as well as overall more confident.
- The CFO who mentored her was known to be particularly strong in strategy and could help her grow a more strategic mindset and shared some very practical tools for strategy development with her. Besides, he connected Jessica to some other senior finance leaders in the region that she could have exchanges with from time to time or ask for advice
- Throughout the modules, the 1:1 coaching and peer interactions helped her take a new look at how she drove results. She realized that she could be both 'nice and tough' and how to be closer to her team members while having clear expectations and boundaries in place.

Was everything good at the end of the program? That would be too much to say, but Tom felt comfortable that she's on a good track and thought that he could now wholeheartedly recommend Jessica to the panel who ultimately decides his succession.

Passionate about Progress!

Charlie Lang