



10 Tips for Interviewing a CFO

Cover off these 10 areas and you'll increase your chances of finding a CFO with the right skills, experience, cultural fit and leadership ability.

1. Credentials

Reviewing the credentials of your CFO candidate may seem obvious, but you'd be surprised how many companies hire someone who will meet their needs now, without considering what skills they need them to have in the future. Before the interview, make a note of any specific experience that will be an asset to the business, such as working in publicly-listed companies or private equity firms, roles as a company secretary or experience with IPOs, acquisitions and sales.

2. Work Experience

Your CFO candidate should have a depth of financial knowledge and breadth of experience that will add value to your business. They should be able to give you examples of strategic projects they've designed and implemented, as well as business challenges they've solved. While experience in your industry is desirable, in many cases it's skills like decision making and change management that will have the most impact. Your CFO

should not only have the financial expertise to manage your business as it currently stands, but the expertise to develop forward-thinking strategies that will drive profitability and growth.

3. Employment Objectives

It's important to find a CFO who is compatible with your values and committed to your business. For example, if a candidate only wants to work limited hours and you're in a growth phase, they're unlikely to enjoy the role >

or stay in the business over the long term. To find out what they're looking for in a CFO role, ask what attracted them to the position. You may also like to ask what the best and worst things were about their previous roles, to see if they're good fit for your business.

4. Personality?

Personality conflicts are one of the most common reasons people resign from their job, so it's important to get to know your CFO candidate and work out if they'll fit in with the culture and values of your business. Their prior experience

will also give you an indication as to how well they handle responsibility and work with other people. In the interview, try to discover how they work under pressure when there are competing priorities and any character traits that may cause problems down the track.

5. Leadership Style

The leadership style of your CFO can have a significant impact on your business. Those that are overly cautious and prefer to delay decisions rather than risk making a mistake can be just as inefficient as someone who makes

risky decisions and works outside formal systems and processes. The interview will help you understand how the candidate develops teams and manages relationships with staff, colleagues, Board members and stakeholders. Do they use 'we' or 'I' when talking about their achievements?

6. Attitude

A positive attitude is always important when interviewing candidates, but even more so when it's a member of your leadership team. Your CFO needs to be enthusiastic about the role >





and passionate about transforming businesses through financial excellence. They should seem confident in the interview and greet you with direct eye contact, a friendly handshake and smile. If they make excuses, seem stressed or focus on negative experiences, it may indicate a poor attitude that will filter down through the rest of your business.

7. Networks

Many CFOs are hired on the strength of their networks alone. Having strong relationships with advisers, industry bodies and other relevant networks will allow your CFO to discover new opportunities for your business and call on experts when they need to make tough decisions. In the interview, ask your CFO candidate about the networks they've developed over the

course of their career and ask around to see if they have a good reputation in the industry.

8. Potential

If your CFO does their job well, the business they join now will be very different to the one they'll manage in the years to come. That's why you need to look at the future potential of each candidate and decide whether they'll need any training and development to keep up with your plans for growth. Likewise, they may already have skills they can bring to your business, which will be of value to other staff.

9. Communication Skills

As a member of your leadership team, your CFO needs to be able to communicate their ideas and

recommendations in a concise and articulate manner. They need to be as comfortable attending a Board meeting as they are doing a performance review with a junior staff member. The interview will give you a good understanding of their ability to communicate well, particularly if you throw them a few difficult questions to see how they react under pressure.

10. Quality of Responses

Consider how your CFO candidates responds to questions and the quality of information they provide. They should answer each question thoughtfully and honestly, showing they've done their research on the role and your business. At the end of the interview, the questions they ask should be relevant, intelligent and demonstrate a good understanding of what is expected in the role.

Are you looking to replace your current CFO? Our next article will help you prepare for their exit and make sure it's a smooth transition.

Next: **"How to Fire Your CFO"**



CFO Strategic is a Sydney-based CFO firm that specialises in providing financial leadership to organisations of all sizes. Our CFOs are fully qualified and have extensive experience as senior executives in multinational corporations. Whether you need a CFO on a contract, interim, part-time or full-time basis, we can deliver professional services that are tailored to the needs of your business.



Author:
Laura Raymer
Managing Director

Helping businesses seize opportunities for growth, change and success.

Please feel free to distribute this Article, in its entirety to your friends and colleagues that you feel may benefit.