**Top Tips to Hiring the Right CFO**

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Bringing on a new senior manager is a high-stakes, time-consuming venture. Whether you are replacing an existing CFO, adding a part-time CFO, or bringing one on for the first time, here are some tips to finding the right fit for your organization.

How Should the Search Begin?

Prior to posting an opening for a CFO, the management team should precisely define the role of your CFO. Start with this list of core CFO skills:

* Excellent analytical abilities
* Proven track record in managing accounting and finance
* Strong communication skills
* Strategic thinking: alert to detail yet focused on the big picture
* A demonstrated leader
* A creative problem-solver
* CPA skills as needed

Next, craft your own list based on your organization’s outstanding needs, including all relevant gaps in roles and responsibilities. For example, if your non-profit organization is in the public eye, or the CFO will need to make presentations to your board, the candidate’s communication skills should include competency in public speaking. If you are replacing your current CFO, think about ways the role might be improved. The greater your clarity about your expectations for the CFO, the easier it will be to select the right candidate and position them for success.

For filling an existing CFO position, make sure the job description accounts for the following:

* Building upon the prior CFO’s achievements
* The company’s plans for growth
* Reporting structure options for the new hire. (While typically the CFO reports directly to the CEO, an organizational chart is never set in stone. Consider whether your organization would be best served by a different relationship between the new CFO, senior management, board finance committee, and existing accounting and finance team.)

While your first impulse may be to narrow your search to candidates with industry experience, it's worth taking a flexible approach to this requirement. A skilled CFO from another industry can make a persuasive case for why his/her experience will serve you best. Either way, once on board, your CFO should engage with professional organizations in your industry, so that your business is consistently benchmarked against the overall industry’s best practices.

**Tip:** In some organizations, the CFO may act more like a chief financial and administrative officer (CFAO) or a COO, overseeing administration, real estate, technology, legal, and other areas in addition to finance and accounting. When reviewing your draft job description, remember to pause for a reality check: Is it realistic for one person to fill all the roles you’ve identified? Is a broader solution called for, such as realigning duties throughout the entire management team, or adding other positions? A dose of realism today can save you many headaches in the months to come.

Professional credentials and personality

Hiring would be so much easier if all we had to do was line up our business needs with the candidate’s credentials. But as every manager knows, personality, temperament and work style matter. A rewarding executive-level search is always informed by the leadership team’s self-knowledge, i.e., the organization’s articulated understanding of what it takes to succeed in its unique culture. The senior team – and the CEO in particular – must carefully consider the traits that harmonize with their priorities and work styles.

Not that you’re looking for a clone: perhaps you need complementary or new skills to bring necessary change to the organization. At the same time, cultural fit and alignment matter for every senior team. Carefully consider where value will be added through introducing new skills or traits, and where continuity is called for to ensure the candidate’s successful assimilation into your environment.

The CFO work style tends to be detailed, highly analytical and risk-averse, a set of traits your current senior team may lack. A promising candidate should demonstrate the leadership skills necessary to navigate your existing culture and effectively promote new perspectives, priorities and practices.

**Tip:** A strong CFO candidate will make everyone comfortable with the numbers and not try to impress with insider jargon. Translating financial data – to colleagues, the board, potential investors, or junior employees – is key to the CFO role. Pass over the candidate who relies on unfamiliar buzzwords or acronyms.

Shape the interview process to find the right fit

Once you are satisfied with a candidate’s professional qualifications, non-work settings are a great way to zero in on cultural fit. Getting together for lunch or dinner allows your team to get to know the person behind the resume, and determine if his or her values and work style are compatible and appealing. Personality matters: if someone rubs you the wrong way during the appetizer course, it’s unlikely he will gel with your team during the company’s inevitable moments of crisis and stress.

Don’t be afraid of hard questions: make sure to ask them, and expect to answer some, too. Being open and honest with candidates, and candidly discussing business challenges, enables them to find the right fit too. Hiring someone who flees after a month is a painful waste of resources and time, not to mention a hit to morale. Within the constraints of confidentiality, share in-depth financial information about your company, and be ready to answer questions about its financial health.

**Tip:** In today’s time-constrained business world, it’s tempting to cut corners during the interview process. But your CFO will impact every area of the organization; each department or team will need to collaborate effectively with your new hire. Make sure your senior team is committed to an unhurried, deliberative hiring process, involving all relevant board members and employees.

Your checklist:

* Does the CFO job description fully reflect your organization’s needs in the areas of finance, communications, and leadership?
* Has your senior team honestly assessed your work culture, and determined what sort of match it’s seeking?
* Are all stakeholders involved and committed to a thorough interview process focused on both professional credentials and personal fit?

If the answer to all of these questions is “yes,” you can expect a fruitful hiring process that will bring your nonprofit organization a new level of financial acumen, strategic planning and leadership.

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