



The 66th Induction Ceremony for New Members, Dec 2020



THE ACCOUNTANT IN TODAY'S CFO ROLE – RETOOLING KITS

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THE ACCOUNTANT VERSUS THE CFO

- EMPLOYERS' DIFFERENTIAL NEEDS

- **Chief Accountant - Amfids Recruiting Firm** (September 2020) - **Job Requirements:**
- Chief Accountant: HND/Bsc in Accounting and professional Qualification from Regulatory Body (ICAN/ANAN) will be an added advantage

Responsibilities:

- -Prepares and records asset, liability, revenue, and expenses entries by compiling and analyzing account information.
- -Maintains and balances subsidiary accounts by verifying, allocating, posting, reconciling transactions; resolving discrepancies.
- -Maintains general ledger by transferring subsidiary accounts; preparing a trial balance; reconciling entries.
- -Summarizes financial status by collecting information; preparing balance sheet, profit and loss, and other statements.
- -Produces payroll by initiating computer processing; printing checks, verifying finished product. Completes external audit by analyzing and scheduling general ledger accounts; providing information for auditors.
- -Avoids legal challenges by complying with legal requirements.
- -Secures financial information by completing database backups.
- -Protects organization's value by keeping information confidential.
- -Updates job knowledge by participating in educational opportunities; reading professional publications; maintaining personal networks; participating in professional organizations.

THE ACCOUNTANT VERSUS THE CFO

- EMPLOYERS' DIFFERENTIAL NEEDS

- **CFO – Adexen (October 2020) - Responsibilities**
- Oversee the Finance department activities
- Provide strategic financial leadership and ensure accuracy of business planning, financial analysis and forecasting, accounting and budgeting, cost and revenue management, fixed asset accounting, tax and risk management
- • Ensure accurate preparation of monthly, quarterly and annual management reports, financial forecasts, and ratio analysis
- • Oversee the preparation of financial reports, ensuring compliance with DCP's Accounting Policies and International Financial Reporting Standards IFRS.
- • Responsible for implementation of operational strategy, work plans, programs, controls, policies and procedures
- • Ensure collaboration with other departments on financial assessment of projects, business models and business plans.
- • Ensure the design of a robust business-decision-making framework, driving through process improvements and change initiatives that enable the budgeting, forecasting and reporting to be carried out in a consistent and effective manner
- • Proactively identify risks and define and implement strategies to prevent revenue leakage
- • Ensure compliance with the company's policies, procedures and local statutory regulations. Manage Statutory and Internal Auditors

Desired Skills and Experience

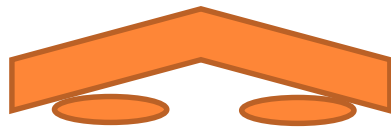
- Bachelor's Degree in Accounting, Finance or any other related discipline • MBA is a plus • Minimum of 15 years relevant experience with at least 5 years in a senior managerial position CFO, FD within an international group • Previous experience in Emerging markets/Africa is a plus • Good understanding of micro and macroeconomic indices and their impact on the business. • Proven experience in strategic financial planning and analysis • Advanced financial and accounting knowledge, including understanding of finance best practices and IFRS/ international accounting and financial reporting standards • Proven experience in foreign exchange operations and regulation. • Working knowledge of SAP • Communication and interpersonal skills. • Leadership and people management skills • Negotiation and problem-solving skills

THE ACCOUNTANT VERSUS THE CFO

- BIPOLAR FOCI AND AREAS OF CONVERGENCE

While CFOs and Accountants may overlap in some of their skills, they generally spend their time differently.

The CFO Role sits at a higher level than the Accountant's role in any organization. The CFO often supervises the Accountant, the Finance Manager or Director of Finance.



Accountant

Accountants typically handle the following:

- Basic reporting – Profit and Loss and Balance Sheet reports
- Quarterly/monthly activity statement preparation and filing
- Payroll
- Reconciliations – banking, ATO accounts, debtors and creditors
- Year end financial compliance

Aspire



CFO

On the other hand, CFOs usually manage these tasks:

- Business strategy
- Cashflow management
- Pipeline reporting and forecasting
- Budgeting and financial modelling
- Product mix and commercialisation
- Reporting to stakeholders
- Advising the board and executives

<https://www.altusfinancial.com.au/blog/cfo-vs-accountant-whats-the-difference>

THE ACCOUNTANT VERSUS THE CFO

- BIPOLAR FOCI AND AREAS OF CONVERGENCE

CPA vs. CFO – A Car Metaphor

- Think of it this way: A CPA is like an auto lube service. They're experts at taking care of your 6,000-mile oil change every four-six months, which is an important part of maintaining your vehicle. But even if they have great knowledge about cars, in their current role, their main experience and expertise lays in providing reliable maintenance services.
- Conversely, hiring a CFO is like intentionally hiring a specialty mechanic + racing coach who will fine-tune and adjust your vehicle, make recommendations for the best products for your vehicle (including where to purchase them and for what price), how to make adjustments to your driving habits to get the most performance out of your vehicle, and more. Not only can they provide this expert level of advice, but they also probably have a long list of references proving their previous success.

<https://www.preferredcfo.com/difference-between-cpa-cfo/>

FINANCIAL ACCOUNTANT	CFO
Focus:	Focus:
History	Future
Understands and follows GAAP rules, translating reality into numbers.	Understands the business model and evaluates reality.
Perfect precision	As precise as necessary.
Repetitive activities	Explorative activities
Purely financial	Financial and non-financial considerations

THE ACCOUNTANT VERSUS THE CFO

- BIPOLAR FOCI AND AREAS OF CONVERGENCE

CHIEF FINANCIAL OFFICER

While the CFO has responsibility for ensuring all statutory and compliance issues are completed to the required level, a true CFO's main focus is to be the key associate of the owner or CEO in delivering a strategy looking several years ahead

The Chief Financial Officer (CFO) has responsibility for all the functions in the finance and treasury areas of an organisation. In many organisations, they also have responsibility for related functions such as procurement, information technology and risk management.

In addition, they will be expected to add value by having a key role in:

- Developing business models and strategies and giving significant input into their implementation.
- Setting the parameters of the annual planning process and ensuring its satisfactory completion.
- Identifying improvement opportunities and managing their implementation, especially in business processes.
- Performing more complex financial analysis.
- Be a key confidant of the CEO or Business Owner.

<https://virtualcfosupport.com.au>

THE ACCOUNTANT VERSUS THE CFO

- BIPOLAR FOCI AND AREAS OF CONVERGENCE

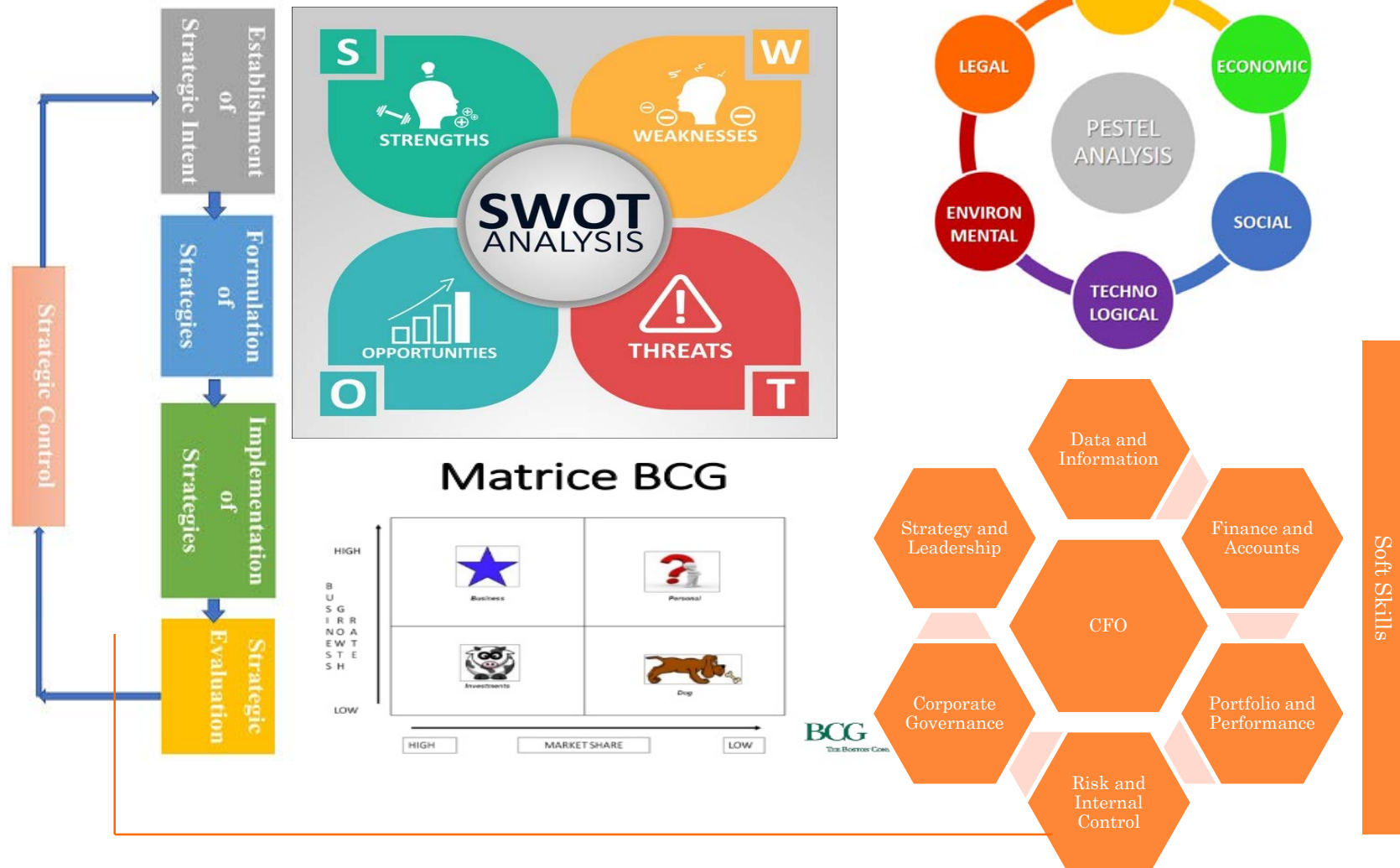
- An accountants expertise lies in what happened in the past. A CFO's expertise lies in what will happen in the future although there may be some overlap.
- A good accountant is well versed in all of these areas: Balance sheet, P&L , IFRS training and compliance. An accountant is like the pathologist in a hospital. After the patient has died. He takes the body down to his dark room at the bottom of the hospital and works out why the patient died.
- A CFO is like a family/primary physician. The primary physician sees patients before they are sick and advises them that if they continue smoking/eating fatty food, they are likely to get sick. The primary physician can prescribe drugs that can help prevent patients from getting sick in the future. A CFO, like a primary physician, is more of a generalist.
- The pathologist is a specialist. Focused on one discipline. The family physician is a generalist that knows a little about almost every specialisation.
- In addition to basic accounting, your CFO should know a lot about business analysis, marketing, operations, finance and business strategy. Business strategy is very important. Qualifications include: MBA, CFA, SIMA, Data analytics, Msc Finance. A CFO is entrepreneurial; continually thinking of the future and speaking intelligently about every area of the business beyond the figures.
- CFOs have really good relationships with investors from banks to PE's to VC's to investment banks and other stakeholders. Their networks are deep and they are solid business people who can present data in appealing visual ways and tell a great story.
- Today, most CFO's are NOT accountants. The role has morphed to the point that accounting expertise is often no longer required.

<https://threadreaderapp.com>

TOWARDS BECOMING A CFO

- TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: STRATEGY AND LEADERSHIP

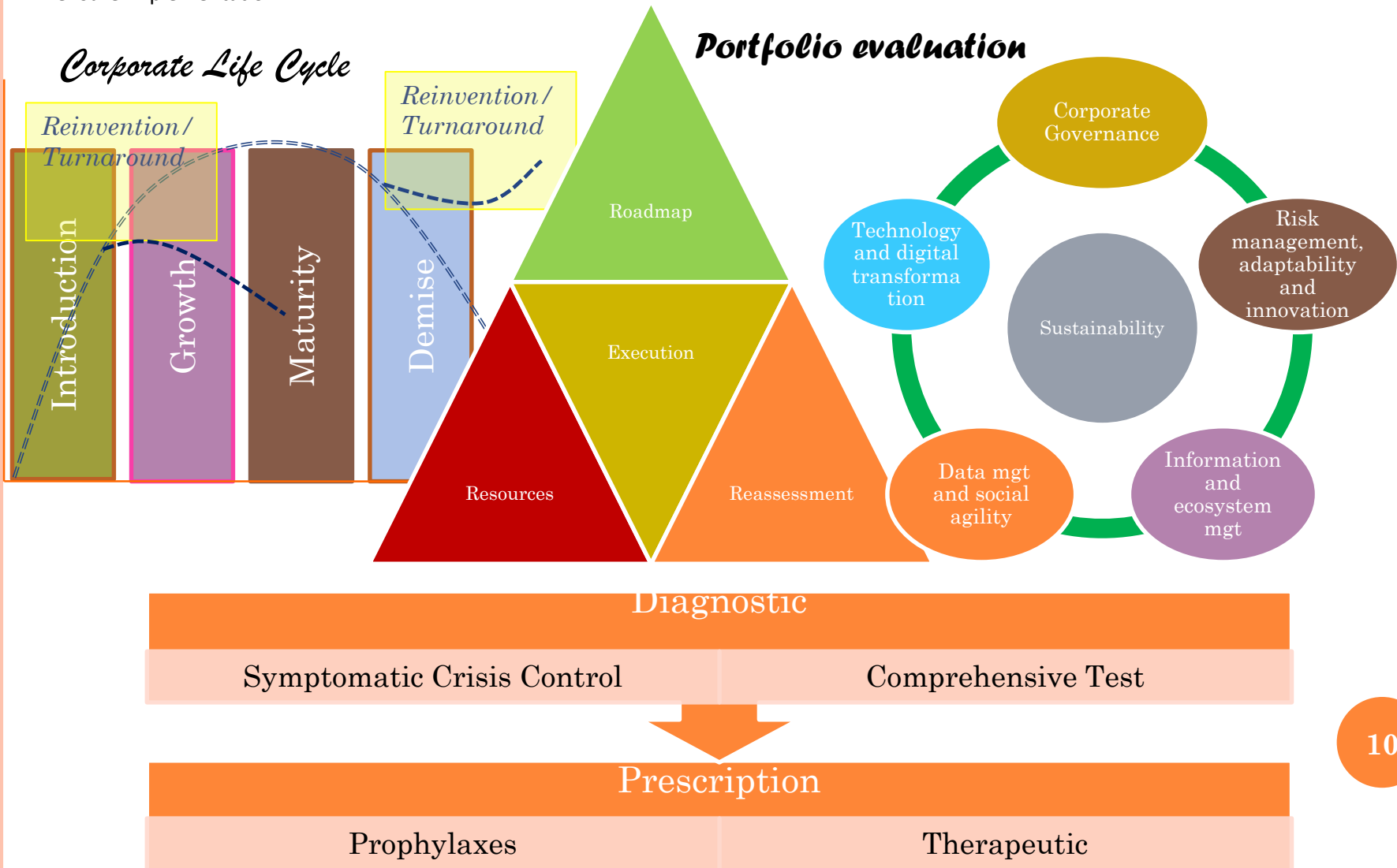
The accountant must improve his knowledge of strategy formulation, reviews and execution. The CFO must also understand the tools for corporate and market analyses.



TOWARDS BECOMING A CFO

- TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: STRATEGY AND LEADERSHIP TOP UPS

The accountant must also hone his capacity to analyse the state of the business or portfolio accurately, take the right decision and ensure implementation.

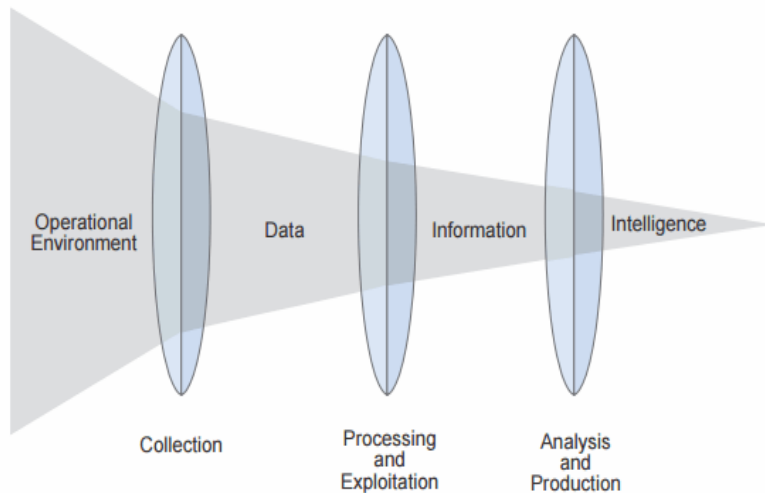


TOWARDS BECOMING A CFO

TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: DATA AND INFORMATION

Data is the life raft of organizations. Ability to describe, diagnose, predict and prescribe business situations is demystified by effective data management and business intelligence (Artificial intelligence).

Relationship of Data, Information, and Intelligence



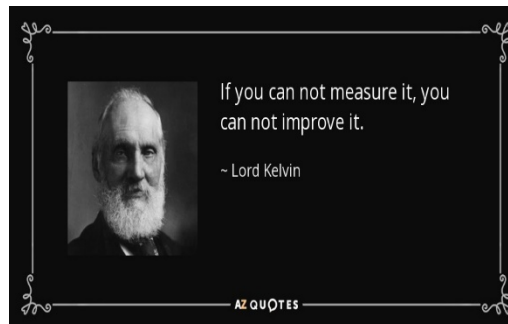
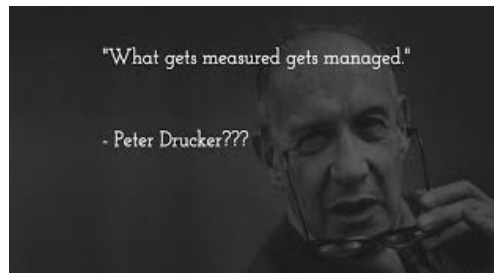
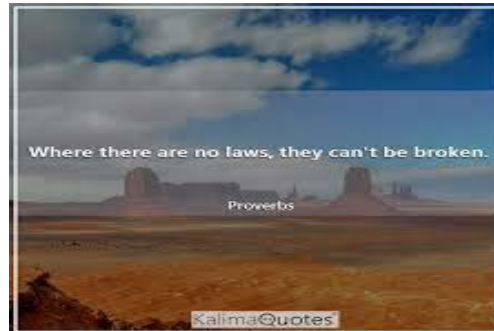
Top 10 Business Intelligence Tools



TOWARDS BECOMING A CFO

TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: BUSINESS REVIEW AND PERFORMANCE

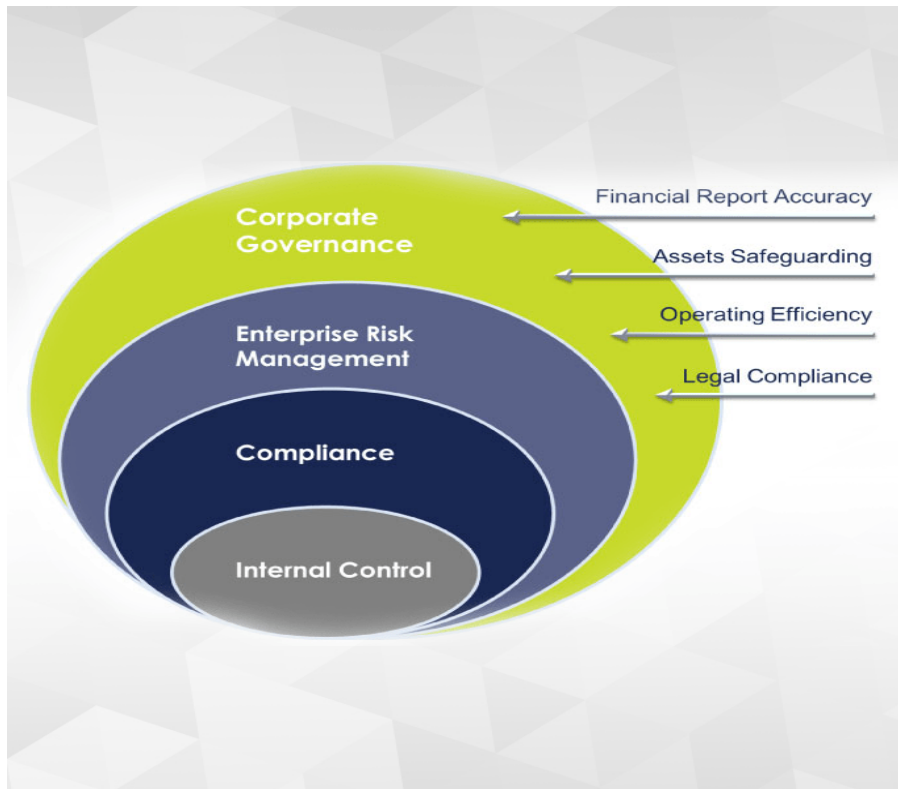
CFOs must constantly set targets and review the position of the various segments against business objectives. These are carried out using some metrics.



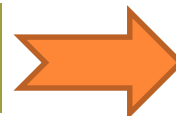
TOWARDS BECOMING A CFO

TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: CORPORATE GOVERNANCE AND REPORTING

Corporate governance is the system by which companies are directed and controlled. More and more, the CFO is saddled with the responsibility of ensuring sound corporate governance working with the board, the CEO and company secretary



Code of Corporate Governance for Public Companies in Nigerian, 2003, 2011.

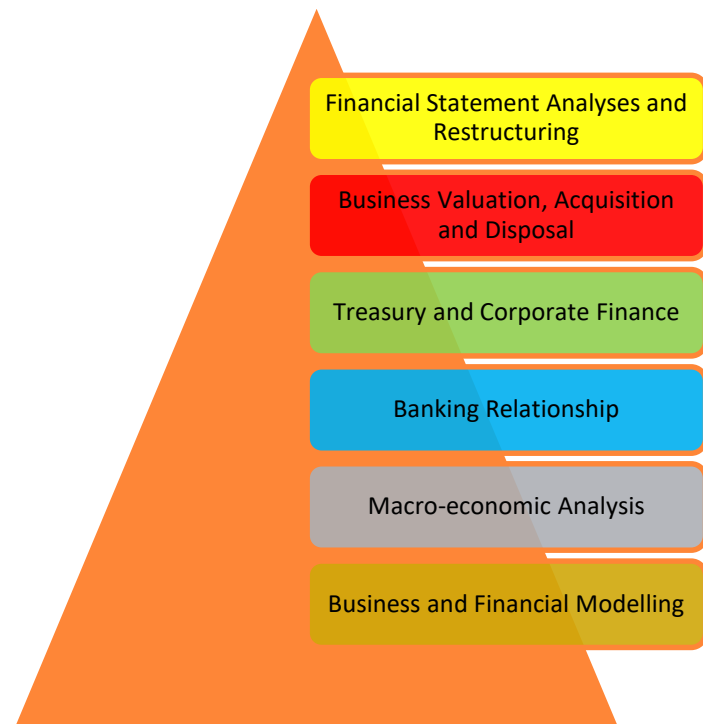


Nigerian Code of Corporate Governance, 2019

TOWARDS BECOMING A CFO

TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: FINANCIAL ACUMEN

The CFO must have over average financial acumen.



The CFO must have the ability to:

- analyse financials
- understand tax and insurance mgt matters
- manage liquidity and solvency
- raise finance
- take investments decisions
- analyse national economic issues (national budgets and financial policies)
- interpret financial forecasts and models

In addition, the CFO needs to be aware of transformation in information technology, especially as they relate to business and finance – Fintech, Blockchain, Cryptocurrency and Fx Trading. CFOs also must appreciate the power of social media and be abreast of useful apps.

TOWARDS BECOMING A CFO

TOOLKITS FOR THE ACCOUNTANT'S RUCKSACK: SOFT SKILLS

The CFO is the heartbeat of the business; the central pole that holds the organization together. He is at the centre of it all; managing resources and people.



- Business Relationship
 - L-shaped business support
 - Diplomacy
 - Palsy-walsy
 - Stakeholder management
 - Negotiation and persuasiveness
- People Management
 - Team building
 - Coaching
 - Talent identification
 - Loyalty building
 - Empathy and emotional intelligence



Not only shaking hands but facilitating handshakes across the entire organization

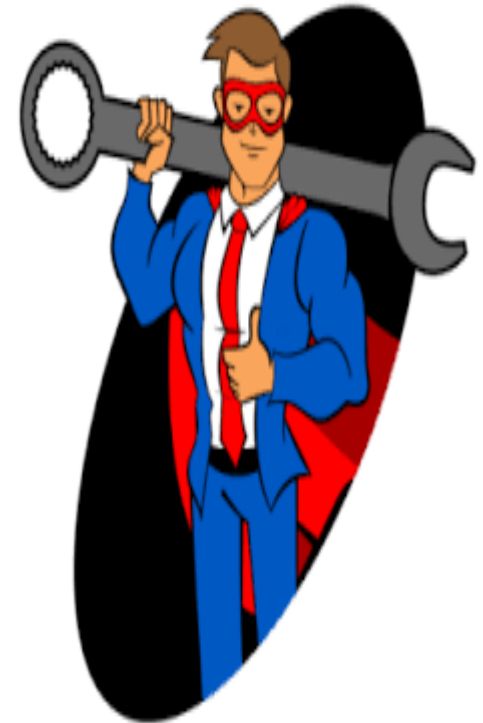
FINAL WORD

— CONGRATULATIONS TO OUR NEWEST COLLEAGUES BUT THE JOURNEY IS NOT YET OVER

The CFO is an organizational fixer; a handyman. Others say he is an organizational jackass; a neddy. The journey from being an accountant to being a CFO is a long one. So we must prepare well, else, as accountants, we may become the second fiddle.



- The journey of your career for which you have taken a significant step is one that is long and requires strategic planning and brazen efforts.
- But every long journey is a sum of short distances and one starts at the end of another. Therefore, where you are today is only the end of the first distance and the beginning of another, perhaps, on a very big road with many bends.



How fast you travel is dependent on you and God's grace. Congratulations once again and I wish you well.

Thank you.