## Contemporary Role of CFO

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# Different areas/functional activities under CFO

- Controllership
- FP&A
- Treasury
- Internal Control & Compliance
- Taxation
- Strategy
- Investor Relations
- Board Engagement
- M&A
- IT/Purchasing

## Key role of CFO

Enhance the value of Business through unbiased views!

#### Attributes that drive Value of Business

"Growth & Customer"

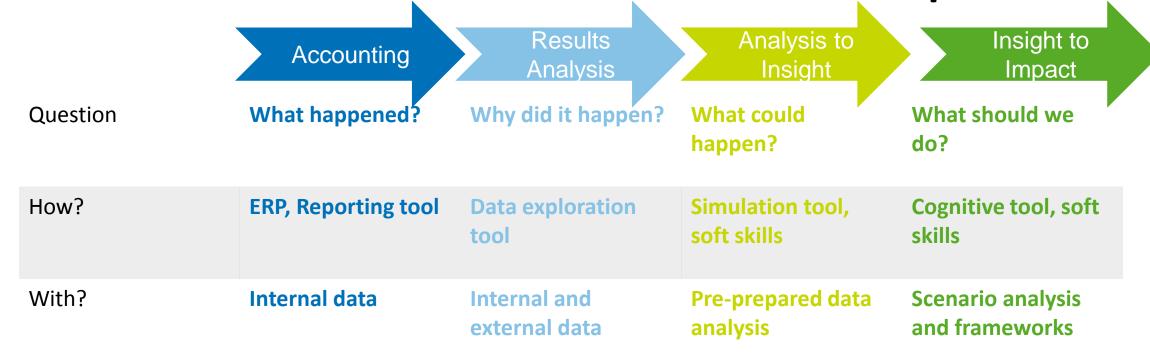
"Profit"
"Velocity"
"ROI"
"Cash"

## Business Situations are like Hiranya Kashiba

Need an intelligent, innovative & aggressive Narasimha to solve

#### Enhance the value of Business

## **Trusted Business Partner**



- CFO has an important role to play in bringing his insight for setting right performance metrics
- Drive organization towards those performance metrics

- Simplify the value drivers of the Business for people
- Play a key role in creating execution bias
- Lead / play a key role in transformational projects- CFOs can help in setting the correct baseline, identify criteria, see if the true value is converted in to cash & not just accounting profits, increase effectiveness
- Help in identifying the potentials in existing Operations cost/ Revenue structure

- Challenge the Business model constantly
- In a changing world at best we can assume that change is constant
- Always look out for constant recalibration through structured means

- Provide a clear structure for process around strategy
- Lead the Business Strategy
- Pricing excellence amidst competitive dynamics
- Manage your forex exposure wisely
- Its also about how you manage costs (when you can't pass on cost increase)

- Provide a clear strategy for Capital structure
- EVA is a great tool; monetize the value of usage of assets in P&L
- Effectively Allocate Resources
- Focus on ROIC; ROE
- Return cash when can't be effectively deployed

- Try to create all activities around customer centricity/ experience
- Organic growth- leverage tail winds combined with position of strength
- Inorganic growth through synergy- about 2/3 of Inorganic expansion does not deliver promised value
- Be prepared & have plans to stay strong during cyclical downturn
- Manage Short term & long term priorities (often most difficult)

## Developing right mindset/ behavior

- Think Outside- In
- Put Customer centricity in practice
- Be a great communicator
- Think the best upside & worst downside for every scenario
- Have a global mindset;
- Inclusivity & Consensus building approach
- Surround yourself with great people
- Build a great team
- Move from control to coach; be a mentor & mentee
- Take Business roles outside of Finance
- Experiential learning is a great way to learn
- Books can open new worlds for us

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