

# Chief Financial Officer Moves

Q1 2009



## Operational Excellence—In Search of Fundamental Value

Business leaders are experiencing a profoundly more uncertain operating environment than most will have ever faced during their careers. There is a need to manage potentially ineffective decision-making in the organization and to balance the tactical, short-term, issues at hand with the long-term strategic objective. The core business functions of finance, operations, IT and HR are required to adapt and plan their strategic responses to the broad set of potential macroeconomic outcomes for 2009-2010.

Across industries, there is an increased focus on the finance function as guardian of an organisation's fiscal health and public reputation. At the group level, finance must be seen to create a tangible link between head office strategy and operational performance and play a key role in wider stakeholder management. Divisional finance talent will demonstrate an increased and indisputable track record of delivery around control, reporting, forecasting, cash and margins. The integrity of audit, risk and compliance will be tested under undoubtedly tighter regulation.

Tight control by operations and supply chain on supplier qualification and management, as well as agile processes, come to the fore to support increased fluctuations in demand and reduced consumption. Supply chain continues to move up the board agenda, and candidates are motivated to engage where there is a compelling transformation proposition. FMCG remains the breeding ground for top performers and many sectors seek to recruit from this talent pool.

CIO and IT executives continue to focus on business engagement, improving process efficiency and reviewing major vendor contracts. Key areas for attention include the ability to deliver programmes on time and to budget and playing an active role in any restructuring exercise. Sectors that have historically had a weak investment in IT will become increasingly vulnerable through their reliance on legacy technology and should look to attract more innovative, technically competent CIOs or CTOs.

HR at the group and divisional levels is required to be operational, connected to the business and technically strong. Its value as an internal service provider will come under pressure as the function is held to the same performance levels as external providers. Many organisations will be faced with the thorny issue of pension funding which will demand delicate management and close collaboration with trustees and advisory firms.

Realigning headcount across these functions during a downturn is often necessary—but rather than freezing all hiring and development programmes, this period should be viewed as a potential opportunity to upgrade talent and better engage existing members of the management team. Reinvesting a proportion of capital freed up from cost-cutting into highly selective, targeted recruiting and development programs allows a coordinated strategic response to the issues a business faces. Additionally, it helps safeguard and reinforce the ongoing, and probably changing, culture. The potential to redesign the scope of responsibilities within and across functions is also opened up.

Against the current macroeconomic backdrop, core functional executives must bring a deep understanding of how volatile conditions will affect their companies. That applied understanding will allow them to manage threats and ensure adequate talent resources are available for deployment. Executives must challenge views around what should be considered normal performance and whether expectations are realistic in the prevailing environment. This will involve reviewing the traditional approaches adopted in previous years and will require taking on a more pragmatic stance, where historical assumptions around earnings and growth rates are modified to accommodate the depth of the downturn and the various scenarios that could play out.



## Industrial

### De La Rue

- **Simon Webb** is appointed Group Finance Director of De La Rue, succeeding Stephen King. Webb joins from Enodis, where he was Deputy CFO.

### Johnson Matthey

- **Robert MacLeod** is to join Johnson Matthey as Group Finance Director. He succeeds John Sheldrick, who is retiring on 7 September 2009. MacLeod joins from WS Atkins, where he was Finance Director.

### Network Rail

- **Patrick Butcher** is named Group Finance Director of Network Rail. He succeeds Ron Henderson, who is retiring. Most recently, Butcher was Finance Director of English, Welsh and Scottish Railway.

### Royal Dutch Shell

- **Simon Henry** has been promoted to CFO of Royal Dutch Shell, succeeding Peter Voser. Previously, Henry was Executive Vice President Finance, Exploration and Production.

### Volex

- **Andrew Cherry** has been appointed Group Finance Director of Volex. Cherry joins from Spinvox, where he was CFO.

### White Young Green

- White Young Green appoints **David Wilton** as Finance Director, succeeding Bob Hartley. Wilton was previously Group Finance Director of Adler & Allan Holdings.

## TMT

### Adept Telecom

- **John Swaite** has been promoted to Group Finance Director at Adept Telecom. Most recently, Swaite was Group Financial Controller. He succeeds Tim Holland.

### BT Group

- BT Group appoints **Karen Witts** as CFO of BT Retail and Managing Director of BT Enterprises. **Phil Moses** is appointed CFO of BT Openreach.

### Digital Marketing Group

- **Gregg Minns** has been appointed Finance Director of Digital Marketing Group. Minns joins from Vividas, where he was Group Finance Director.

### Mecom Group

- Mecom Group has appointed **Henry Davies** to succeed John Allwood as Group Finance Director. Davies was promoted from Group Financial Controller.

### Psion

- **Fraser Park** is named CFO of Psion, succeeding Bill Jessup. Park joins from Tandberg Television, where he was also CFO.

## Pharma

### Corin Group

- **Michael Roller** has been appointed Finance Director of Corin Group, succeeding Simon Hartley.

### Genus

- **John Worby** has been appointed to succeed Martin Boden as Finance Director of Genus. Worby is a Non-Executive Director of Cranswick and Smiths News. He was previously Finance Director of Uniq.

## Consumer

### ASOS

- **Nick Beighton** has been named Finance Director and Company Secretary of ASOS. Beighton joins ASOS from Luminar Group Holdings, where he was Finance Director.

### Luminar Group Holdings

- Luminar Group Holdings appoints **Robert McDonald** as Finance Director. Most recently, McDonald was Finance Director of Woolworths.

### Manchester City Football Club

- **Graham Wallace** is appointed CFO and CAO of Manchester City Football Club. Wallace joins from IMG, where he was Senior Vice President & CFO for Global Media.

### Tesco

- Tesco has appointed **Laurie McIlwee** to succeed Andrew Higginson as Group Finance Director. McIlwee has been promoted from Distribution Director.

## Financial Services and Real Estate

### Atrium European Real Estate

- **Robert Boiler** is appointed CFO of Atrium European Real Estate. Boiler joins from Meretec, where he also served as CFO.

### Ernst & Young

- **Tony Di Iorio** joins Ernst & Young as Senior Advisor for EMEA Financial Services. Most recently, Di Iorio was CFO of Deutsche Bank.

### Financial Services Authority

- **Mark Norris** has been named COO of the Financial Services Authority. Norris joins from Credit Suisse.

### Invocas Group

- Invocas Group appoints **Robbie Drummond** as Group Finance Director and Company Secretary. Drummond joins from HBOS, where he was Head of Finance for Business and Payment Services.

### Prudential

- **Tidjane Thiam** is to succeed Mark Tucker as Group CEO of Prudential on 1 October 2009. Thiam is currently Group Finance Director.

## SAV Credit

- **Mike Says** joins SAV Credit as CFO from Lloyds Banking Group, where he was Finance Director of the UK Retail Division.

## Savills

- Savills names **Simon Shaw** as CFO. Shaw joins from Gyrus Group, where he also served as CFO.

## Schroders

- Schroders has appointed **Kevin Parry** to succeed Stephen Brooks as CFO. Parry was most recently CEO of Management Consulting Group.

## Zurich Financial Services

- **Jonathan Plumtree** is named Head of Zurich Corporate Risk. Plumtree joins from Unum, where he was Finance Director.

## Non-Executive Directorships

### Galliford Try

- **Andrew Jenner** is appointed as a Non-Executive Director of Galliford Try. Jenner is currently Finance Director of Serco Group.

### RCP Group

- RCP Group appoints **Martin Towers** as a Non-Executive Director. Towers was Group Finance Director of Kelda Group.

### WM Morrison Supermarkets

- **Philip Cox** has been appointed as a Non-Executive Director of WM Morrison Supermarkets. Cox is currently CEO of International Power, having previously been CFO.

### Xstrata

- **Peter Hooley** is appointed an independent Non-Executive Director of Xstrata. Hooley was previously Group Finance Director at Smith and Nephew.

## About Russell Reynolds Associates

**Leadership.** In today's ever-changing global business environment, success is driven by the talent, vision and leadership capabilities of senior executives.

Russell Reynolds Associates is a leading global executive search and assessment firm with more than 300 consultants based in 39 offices worldwide. Our consultants work closely with public and private organizations to identify, assess and recruit senior executives and board members to drive long-term growth and success. We value teamwork, serving our clients with a collaborative approach that spans our international network of sector and functional experts.

Our in-depth knowledge of major industries and our clients' specific business challenges, combined with our understanding of who and what makes an effective leader ensure that our clients secure the best leadership teams for the ongoing success of their businesses. For more information, please visit us at [www.russellreynolds.com](http://www.russellreynolds.com).