



CFO Magazine

### **Not Cleared for Takeoff**

Controllers who want to become CFOs need to put down their pencils and master soft skills.

[Laura DeMars](#), CFO Magazine

June 01, 2007

Doug Duskin understands the importance of thinking outside the container. When he took over as vice president and controller of \$1.2 billion pallet and container services company CHEP in 2004, Duskin tacked on some risk-management and treasury tasks to his duties in order to lay the groundwork for a future CFO post. Unlike Duskin, however, most controllers don't have the luxury of tailoring their roles, and many are being overlooked for advancement in the finance department.

Indeed, in the mad rush to find the perfect CFO — one who combines financial know-how with strategic thinking, presentation skills, and leadership — controllers are often bypassed. According to a recent study by Korn Ferry International, controllers accounted for a mere 4 percent of the 190 *Fortune* 500 CFOs (2006 list) hired externally. And while controllers may be perfectly qualified for a CFO position, says Chuck Eldridge, managing director of Korn Ferry's financial-officers practice, "corporations still think of them as back-office systems, [Sarbox] gurus." So much so, he adds, that simply having the title "controller" can take someone out of the CFO running.

Overcoming that stigma is no easy task. The introduction of Sarbanes-Oxley has certainly heightened the perception that controllers are heavily focused on accounting and compliance issues, with little time left to develop leadership and communication skills. Moreover, good controllers have become so invaluable that CFOs may be reluctant to push them up the ladder. Making the transition, says Duskin, takes some creative thinking. "You really have to break the mold."

### **Gray Matters vs. Gray Areas**

Ironically, the very skills that make controllers so desirable can prove to be liabilities when they try to move up to the CFO ranks. "Controllers are more execution focused," Eldridge explains, adding

that such skills obviously aid them in compliance work but are only one part of a CFO's toolbox. More troubling, he adds, is that in the Korn Ferry study — which also measured how finance executives are viewed within the company — controllers ranked lowest in skills such as approachability, customer focus, motivating others, and conflict management. On the other hand, says Eldridge, CFOs were seen as "collaborative and patient" and ranked higher in listening and dealing with ambiguity.

If image weren't enough of a problem, the title itself can be a constraint. For example, Jim Bria, controller of Trane, a heating and cooling systems subsidiary of American Standard, is known as the "local CFO" in Trane's north and central Florida offices, even though his title doesn't reflect it. He says many controllers have jobs that incorporate more than just accounting oversight and regulatory work. But without the title, controllers have a difficult time landing a CFO position. "In today's high-tech environment, you really have to consider what you put on your résumé because some employers will do a search only for 'CFO,'" says Bria.

There are success stories, of course. Colleen Zuhl recently made the jump to CFO at \$564 million Coachmen Industries Inc. after two and a half years as controller. Although she claims the promotion was due mostly to good timing (the previous CFO, Richard Lavers, was promoted to CEO), Zuhl had proved herself worthy by handling large projects, including centralizing the finance and accounting departments, taking on Sarbox preparations, and dealing with general managers and division controllers on a regular basis. "They helped me gain a better understanding of the big picture," she says.

Zuhl's ascension illustrates one bright spot for controllers: companies do promote from within. In fact, the Korn Ferry study found that controllers made up 33 percent of those promoted to the CFO spot (outdoing treasurers, general managers, and divisional CFOs) at the 310 companies that promoted from within. A more recent study by Russell Reynolds Associates concurred, finding that last year some 35 percent of controllers were promoted internally. "Your company knows you and what you are capable of," reasons Zuhl. "If you come in from another company they have to figure all of that out."

### **Controlling Expectations**

Still, controllers must figure out how to broaden their skills if they want to move up — whether at their own companies or elsewhere. Zuhl recommends trying different finance titles or pursuing roles in other parts of a company to "get in front of the issues." **By sampling**

other positions, says Scott Simmons, vice president at executive recruiting firm Crist Associates, controllers are likely to attract more résumé views since that demonstrates that they're more than just number crunchers.

Targeting jobs tailored to your skills is another tactic. Controllers need to pay attention to where they apply, says Bria, and make sure that they fit the bill before sending a résumé. "If the company requires a CPA, an MBA, and a risk-management role, you need to make sure that you fit all three," he says.

Finally, there is always the delicate task of managing expectations. Rob Corbin, controller of CP Films Inc., in Martinsville, Virginia, says that trying for a CFO job at a smaller firm is a lot easier than jumping to a *Fortune* 500 spot. That may require a willingness to move to a much smaller company. Says Corbin: "All of those top CFOs had to start somewhere."

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