



ELLINOR FITZGIBBON CELEBRATES THE GOOD TIMES IN 2005 BUT POINTS OUT THE DANGERS AHEAD.

Increasing activity

A review of 2005 reveals a significant increase in treasury activity at the more senior end. The demand for qualified accountants and treasurers at this level is without question on the top of employers' essential human resources shopping list. Most organisations have now reached the conclusion that becoming competitive in the remuneration stakes is a necessity. Companies have to ask themselves whether their approach to pay and reward is fair and competitive. Do their existing staff value the benefits offered? And on the other hand, do their employees measure up to their roles?

ADDING VALUE Aside from remuneration, employers also need to be ensuring that they offer variety and opportunity to their people. Do they give employees the option to learn and develop their careers within the organisation, as well as maintain a work/life balance? At the same time do managers lead by example rather than bark orders, and do they take steps to ensure that their teams are learning and adapting to meet the changing environment?

A successful organisation will be one that maintains good employee relations and reacts to changes in the marketplace and the needs of the younger workforce. For example, sabbaticals are becoming more widespread as a means to reward those who have given loyal service. But they can also be used to give staff who show potential an opportunity to travel or work in one of the subsidiaries, to support ongoing studies that will develop or enhance their skill set, all of which will ultimately add value to the organisation

The treasury market has remained buoyant over 2005 and the strong conditions have been seen across all sectors. However, if the recent trend of increasing mergers and acquisitions (M&A) activity continues – and the odds appear to be high that it will – the UK market outlook for 2006 is more uncertain. If this current trend follows the 2000 market, then almost every sector in the UK is susceptible to takeover. In that case, with the increase in deal volume, we anticipate steadily increasing demand in the investment banking market. This in turn creates more roles to deal with the increased M&A work. Recruitment consultancies will also be taking advantage of the increase.

MORE AMMUNITION With an increased likelihood that treasurers could be working for another organisation – or indeed facing redundancy should M&A continue – it is important that individual treasurers work hard to ensure that they stand out from the crowd.

Broadening your skill base will always make you more marketable to other prospective employers, but it will also give you more

ammunition when discussing opportunities for increased rewards and recognition within your current business. The candidates most in demand and most successful are the ones who have planned for their next career move through self-development. In a volatile business environment it is important for treasurers to maintain and develop transferable skills. The hottest disciplines currently include:

- a good grasp of international accounting standards and the risks associated with complex financial instruments;
- strong cash management skills, including knowledge of internet-based cash management tools;
- maintaining strong banking relations and ensuring appropriate funding requirements; and
- knowledge of treasury systems and an ability to implement process improvements.

At the same time as thinking about specific areas where treasury can add value to the business, treasurers need to know how to raise the profile of treasury within the business. Time spent improving policies and procedures will be of benefit, but it is important to maintain and develop contact with the business so as to maximise the opportunities for new initiatives and cost savings. Benefiting the bottom line is, as ever, the most effective means of raising profile.

Treasurers should be aware of their company's overall performance. It is important they understand their department's role within the organisation and are aware of any plans for expansion or downsizing of the business.

Such knowledge will bring awareness of any new and associated opportunities that become available. Most treasurers are poor at grasping internal opportunities and often are unaware that they exist because they fail to actively seek them out.

It is also important to build up a profile. While a treasury may be operating effectively both from a strategic and operational perspective it is important that other areas of the organisation know the work that has been done by you and your team. You need to market yourself to senior management and other departments to ensure the visibility of the team.

The treasurer with the right skills and the right attitude has been much in demand during this last year. That will continue to be the case in 2006. But the business environment is an unpredictable one and, as with other professions, treasurers can't take their career success for granted.

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