

# Think big



**JENNIFER CARRUTH** HEARS HOW THE PERCEPTION OF THE TRADITIONAL CAREER PATH OF THE TREASURER IS ALTERING AS THE ROLE CHANGES TO KEEP UP WITH GLOBAL MARKET MOVEMENTS.

The role of the treasurer used to be so straightforward. The cliché goes that the financial controller counted the money while the treasurer made the money count. The treasurer's role was defined by looking at all aspects of the monetary cycle from debt-raising through to managing working capital, short-term borrowing, investing and banking.

And in many ways that is what treasurers are still doing today. However, the context has changed.

The corporate landscape used to be simple: big, quoted companies had treasury departments. But with the rise of globalisation, cross-border merger and acquisition activity, sovereign wealth funds and private-equity backed leveraged corporations, the idea of a traditional treasurer career and career path needs a fundamental reassessment.

**OPPORTUNITIES ON A GLOBAL STAGE** Just as corporations compete on a global stage so do their key personnel, treasurers included. Although the traditional treasury path is still appealing and still exists, there are now many more options for ambitious treasurers. At first glance the arguable demise of the traditional UK plc may seem a cause for regret for treasurers. The news that ABC plc is merging with XYZ plc inevitably means economies of scale across the merged entity, and why should the treasury department escape the act of rationalisation?

Another change in the treasurer's role is the opportunities which are arising to work for private equity-backed owners. The emergence of private equity funds purchasing large, quoted companies, has seen treasury functions focus a great deal more on cash management and the financing and refinancing of debt.

**THINKING LATERALLY** But treasurers have no reason to fear these changes. Good treasurers with up-to-date skills and modern flexible attitudes are still pursuing enjoyable and worthwhile careers – they may just have to think more laterally.

The accepted career path was for people to come into treasury functions at a junior level, climbing through the treasury hierarchy that ultimately led to the title of group treasurer. While group treasurer can be an end point in itself, some then took the next step of becoming finance directors.

This career path is now less common for several reasons. First, takeovers result in fewer big companies, with consequently fewer big treasury departments. Second, the treasury functions that do exist are more concentrated because of greater automation and the outsourcing of administrative functions. A by-product of this is that it may become less common for treasurers to be appointed as finance directors.

Although the On the Move section in this magazine makes it clear that some treasurers do still make

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it to FD, in general, as companies swallow rivals, so there is less opportunity for moving to a demanding FD slot. Even so, the work of the treasurer has never been broader; the last few years have seen the profession broadening its remit to key risk management tasks, most notably pensions.

**DEFINED CAREER ROUTE** Corporate treasury is seen as a separate and demanding career route with a well-defined and valuable skill set. The role of the treasurer is increasingly likely to be an international one. The trend for moving and working abroad has been noticeable for some years but has increased sharply over the past nine to 12 months. A particular career hot spot at the moment is the Middle East, where treasurers – among a host of other professionals – are simply following the money. Treasurers are at the van of this trend because of their transferable skills coupled with qualifications from the ACT that are recognised across the globe.

Internationalisation of employment and formal qualifications is set to go hand in hand for the foreseeable future. While regional national differences remain (in areas such as tax and local banking practices) far more unites the treasury profession on a global stage than divides it.

Wherever they are working, innovative treasurers are looking to work as partners with the business to move out of the treasury department and strategically work alongside colleagues to manage risk, create value and boost an often pressurised bottom line.

It is clear that the role of the treasurer is changing significantly but the opportunities arising from this are exciting and involve the exploitation of a sought-after skill set. Treasurers now have the chance to work on a larger and more diverse canvas.



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