

# Head for the top

A PIVOTAL FIGURE IN ORGANISING THE ACT IN THE MIDDLE EAST, MATTHEW HURN IS NOW TURNING HIS ATTENTION TO MAKING TREASURERS THE RISK CHAMPIONS OF THE ENTERPRISE. **PETER WILLIAMS** PROFILES THE NEW ACT PRESIDENT.



At the beginning of May, Matthew Hurn – who has more than 20 years of experience in the treasury profession in both the public and private sectors – was appointed the president of the ACT. Having served the ACT in a variety of capacities over the years, he will be a familiar face to many members. His latest ACT public duty was chairing the annual conference in April, a task he accomplished in his typical professional yet relaxed manner.

Hurn's active involvement with the ACT extends back a number of years. He was a member of the ACT publishing committee (which has now become the events and publishing committee) before succeeding Paul Spencer as committee chairman, a position he held for several years. As well as overseeing the ACT's publications, principally *The Treasurer* magazine and handbooks, Hurn chaired ACT's influential Deals of the Year Awards.

Like all ACT presidents, Hurn was elected as a member of council prior to becoming one of the office holders. Last year he was awarded an ACT fellowship in recognition of his achievements in treasury management and his outstanding contribution and commitment, which have been key to the ACT's development in the Gulf states.

Away from his ACT duties, Hurn is executive director of treasury for Mubadala Development Company, a business development and investment company wholly owned by the government of Abu Dhabi, with assets of around \$24bn. Mubadala acts as a catalyst for the economic diversification of Abu Dhabi, one of the seven emirates that constitute the United Arab Emirates (UAE).

Hurn has been at Mubadala for just over two years now. It is his first overseas position and his role underlines the transferability of the treasury skill set. He

has responsibility for treasury and corporate funding, financial risk management, tax, insurance and investor relations.

"I love the Arab culture and their positive attitudes," Hurn says "There is the feel of a young nation with great aspirations and it is great to play a part in helping to fulfil those. You can literally see the infrastructure coming out of the ground, and of course the sun always shines, which is an advantage!"

He clearly enjoys his role. It was with some pride that he reminded this year's annual conference, which was held in Manchester, that Mubadala's CEO and managing director, Khaldoon Khalifa Al Mubarak, had become chairman of Manchester City Football Club after its acquisition by Sheikh Mansour bin Zayed Al Nahyan in 2008.

One of Hurn's main responsibilities is to increase Mubadala's transparency, accountability and corporate governance standards. As he notes, the region has not traditionally met international best practice standards in these areas. Hurn has played a leading role in Mubadala receiving credit ratings and publishing financial statements, which led to the corporation issuing its inaugural public bonds in April 2009.

He says he is looking forward to his year as president and sees one of his key roles as acting as an ambassador for the ACT. "The profession has been good to me and I am keen to give something back, while assisting in its strategic development," he says. He pays tribute to his predecessor Gerry Bacon, whom he says had a highly successful year: "Gerry has set the bar high and I am hoping to emulate that."

**ACTME ACTION** Hurn has already made a mark, especially in helping to set up the activities of the ACT in the Middle East. "There was a space in the region for both a provider of risk management training and also a network for those interested in such issues," he says. He persuaded the ACT to back the idea and ACT Middle East (ACTME) now has 900 members operating in seven countries in the region. He adds: "The demand for ACT training and qualifications has exceeded expectations."

Those familiar with the ACT will recognise many of the activities of ACTME. By holding conferences and an annual dinner, as well as providing education and training, ACTME is providing thought leadership to treasury representatives and students across the Middle East.

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Hurn describes as "fantastic" the fact that ACTME membership comes from all over the UAE, Oman, Saudi Arabia, Kuwait, Qatar and Bahrain. "The beauty of treasury is that it unites so many people," he says. "Whether you are in London or in Abu Dhabi, we all have the same issues. The ACT qualifications provide a way of keeping up to date, especially as the workload is becoming increasingly global."

Before the credit crunch and the liquidity crisis, Hurn had been on record as saying that the glut of cheap liquidity was unsustainable. This has indeed proved to be the case, and there has been increased attention on corporate treasury functions. Hurn says treasurers need to work hard to earn and maintain their new position at the top table. "Treasurers working alongside CFOs need to demonstrate that they know how to manage risk and that they are doing treasury fundamentals well," he says. It is only through an increased focus on fundamentals that treasurers can cope with such a marked increase in the level of complexity and attention.

Speaking to The Treasurer in Manchester at the end of April – before the UK general election and the twists and turns of the Greek debt/euro crisis – Hurn suggested that, although he was cautiously optimistic about the prospects for the global economy, the position remained precarious and "a steady hand at the tiller" was needed. He added that corporate treasurers had to understand the effects of volatility and the resulting impact on the value drivers of the organisation.

Hurn remains passionate about one particular cause. "For a number of years I've been advocating that treasurers should be the risk champions," he explains. "With the skill set and the toolbox that treasurers possess, they are best positioned and

capable of acting as the chief risk officer, analysing and quantifying the risks found within any organisation, then deciding with others the course of action required."

A natural risk champion, Hurn can turn most events to his advantage. He points to the chaos caused by the Icelandic volcanic dust that drifted across Europe in the spring, causing chaos to the airline industry and to its stranded passengers. Hurn suggested that treasurers should seize their chances with such occurrences by raising awareness of the need for good risk management to be placed higher up the corporate agenda. With or without the continuing help of volcanic ash, Hurn says that during his time as president he wants to carry forward the idea of treasurer as risk champion.

Another theme he wishes to emphasise over the next 12 months is the continued growth of the ACT network. He is encouraged by the growing diversity of the student base. It is certainly a notable achievement that the student base now covers 68 countries, making the ACT qualification truly global.

Other key themes he highlighted included the desire of the ACT to be more involved in the mid-tier corporate sector. The mid-tier has felt the full force of the credit squeeze and the problems of securing bank lending more than blue chips, and it is an area where the ACT should be able to provide some valuable guidance. "The ACT has a key role in trying to help them understand the impact and also emphasise that they are not alone," he says.

He also believes the ACT policy and technical team has a vital role in helping members navigate the growing regulatory burden, and can help develop thinking in relation to counterparty risk. He is impressed by the work of the policy and technical team over issues such as the regulation of over-the-counter derivatives, noting that it even won a mention in this year's HM Treasury Budget Book.

He concludes: "Treasurers need to stay abreast of regulatory changes and it is also important that they express their concerns to the ACT. This will allow the ACT to voice those concerns to the regulatory bodies and politicians."

As the new ACT president, Hurn looks set to play his part in ensuring that the treasurer's voice continues to be heard.

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