

Chalking up success



ARCHANA VENKATRAMAN TALKS TO RECRUITMENT EXPERTS ABOUT THE INCREASING VALUE OF TRAINING AND DEVELOPMENT.

The fear of the uninformed

A treasury expert for one of the big consultancy firms recently remarked at an ACT event that a number of people working in treasury departments were not sufficiently qualified to deal with the treasury issues they were facing on a daily basis. And that was from a consultant whom you could argue actually benefitted from having an uninformed treasury population in the client base!

According to James Lockyer, director of education at the ACT, the consultant's remark underlines the fear that too many people working for significant companies in treasury roles (even if they don't have "treasurer" in their job title) are not as well trained or qualified as they should be for the tasks they are performing. Perhaps a distinction should also be drawn between "qualified" (having sat and passed the rigours of an exam) and attendance at a training course.

Part of the problem is the enormous speed of change within the business and in the financial markets too. It is no longer enough to rely on experience alone to get you through: change is often outside the range of experience, and just as frequently gives rise to substantial risks for the company. And a company can seldom afford to take the attitude that it will give this bit of hedging or that investment instrument a go and see what happens. It's a way that all too often leads to staring into the abyss of financial disaster.

Every treasurer needs a training and development plan – that goes without saying. And those organisations that invest time and effort upfront in qualifications and training can benefit enormously through reduced risk, improved control, lower cost, and faster, better informed reaction to changes in the business and the financial markets. To support these needs, the ACT has broad-based, quality training delivered in a range of different ways – formal qualifications, training, events and publications; even registering for the website would be a start.

The good news is that there is increasing recognition that treasury matters, and with treasury issues rising up the agenda it is more obvious than ever that professional qualifications are vital. The cost of a qualification training should pay for itself, often virtually immediately – and it is tremendous value compared to other forms of help such as consultancy.

Companies that fail to train those responsible for treasury properly run the risk of a loss of reputation as well as a financial loss. Treasury qualifications and training is almost certainly an NPV positive investment rather than merely a cost.

Additional reporting by Peter Williams.

A training and development (T&D) plan for a treasury department is crucial to developing professionals' skills and gaining and maintaining a competitive advantage. A sound T&D strategy will not only motivate and develop practitioners, but also help the business stay ahead, especially at a time when staff and organisations are under pressure as a result of economic conditions.

The T&D plan should leverage the expertise of treasury professionals, helping them and their companies compete in a tough market. It should improve practitioners' knowledge, broaden their skill set, and help them stay tuned to changing business trends and technologies. As a result organisations will have a workforce ready to take on day-to-day challenges.

Deborah Thomas, principal of Michael Page Executive Search, says: "T&D has demonstrated its benefits within treasury. It enables professionals to be better prepared to respond to the market conditions, evolve within their roles and cope better with the business challenges."

And Matt Mattheou from the treasury division at Robert Walters says a sound T&D plan helps in staff retention and in improving their knowledge and efficiency. He adds that the highly talented individuals sought by treasury departments will sign up and stay only if they feel that their employer will assist them in their individual development and growth.

According to Thomas, T&D is a way to ensure that treasurers develop overall financial skills as well as hone their core expertise. Although companies are focusing on streamlining spend across the business, treasury T&D plans seem to have escaped the worst of the cuts.

"Generally there is a positive attitude



towards T&D," says Thomas. "Companies appreciate that it helps in making staff more skilled and competitive, and prepares them to take on broader business challenges."

Recruitment consultants say that a T&D plan for a treasury department should focus on the crucial areas of risk management, cash management and pension funds management.

Mattheou says AMCT is a key qualification for treasury practitioners, providing a benchmark of technical treasury competency. For recruiters, AMCT demonstrates candidates have a practical understanding of the principles and techniques of treasury, risk and corporate financial management, and have developed a breadth and depth of expertise. The qualification allows professionals to speak the common technical language of treasury and is valued equally by financial institutions and corporates.

For those who are really aiming for the pinnacle of treasury, the MCT qualification must be considered seriously. MCT proves that a treasurer can think strategically, assess alternatives and ensure that treasury proposes optimal courses of action to support the business. It is increasingly the qualification of choice for treasurers in FTSE 100 companies and multinational businesses. It builds specialist knowledge and understanding of the impact of treasury and corporate financial management decisions and how they affect shareholder value.

A well-designed treasury T&D plan should have a far-reaching, positive effect on the success of a business. It demonstrates that the organisation supports professionals at a time when treasury departments remain under pressure. It will help keep staff motivated and loyal as it underlines the desire of the organisation to improve the skills of staff.

HOW TO IMPLEMENT A T&D PLAN The treasury department should devise a T&D strategy in conjunction with the HR team. Both Thomas and Mattheou say that consultation with HR is crucial. They also advise treasurers to look for best practices and learn from peer groups and competitors. Mattheou says: "Communication is important: talking to staff and understanding their requirements. In addition, aligning T&D with business objectives is all-important."

Good time management is important for treasurers. The demands of the job are pressing, so treasurers undertaking T&D must be able to get the most out of the training without that affecting the day job.

Calculating a tangible return on investment from T&D is not straightforward. Thomas says: "It is not quantifiable. But companies must assess widely the impact on employees' output, their engagement and level of enthusiasm as well as their use of knowledge and expertise in bringing new ideas."

Another element in devising a plan is that every organisation's needs and requirements are different. Aligning training with specific business aims yields better results. The plan must also cater for new entrants to the profession as well as seasoned members of the team.

With the emergence of social media and mobile learning, treasury departments should be using informal learning and collaborative technologies in T&D programmes. Thomas says: "New technologies have definitely helped to make T&D more engaging. Although practitioners still require personal attention and a traditional environment, technology has only helped in speeding up training programmes and offers learners flexibility and personalisation."

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Going places



- **James Adams** AMCT has joined Deloitte as senior manager for treasury consulting. He was previously finance manager at Tesco.
- **Daniel Allison** AMCT has been appointed treasurer of Europcar UK. He was previously group treasurer at Monarch Airlines.
- **Henry Basing** AMCT, previously at Merrill Lynch, has joined the Financial Services Authority as an associate in the major retail groups division.
- **David Butler** MCT has been appointed group treasurer at Friends Provident. He was previously UK/international treasury director at Willis Group.
- **Claire Creelman** AMCT, previously business analysis manager at Perkins Engines, has joined Caterpillar's remanufacturing and components division as UK finance manager.
- **Paul Fairhurst** MCT, previously market risk manager at National Australia Bank, has joined Lloyds Banking Group as senior manager for market risk oversight.
- **David Felton** MCT has joined Stemcor Trade Finance as group cash manager. He was previously director of corporate banking at Bank of America Merrill Lynch.
- **Richard Garry** MCT has been appointed group treasurer of Laing O'Rourke. He was previously treasurer for operations at Inchcape.
- **Lal Manglani** AMCT, has joined HSBC Hong Kong as head of accounting policy development for Asia Pacific. He was previously head of IFRS policies at Aegon.
- **David Ranson** MCT has left his position as head of UK treasury at Willis Group, and has been appointed deputy group treasurer at BUPA.
- **Arun Sarwal** MCT, previously chief operating officer at Scottish Widows Investment Partnership, has joined DST Global Solutions as chief executive of the investment management solutions division.
- **James Thomas** MCT, previously treasurer at Benfield Group, has joined CMC Markets as group head of treasury.

MEMBERS' DIRECTORY

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