

# Recruiting with CPD



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& POORS

Ian Magness of Esox Search discusses CPD and the potential use of the Association's online facility in recruitment.

The Association's online CPD tests provide corporations with a potential aid to assessing candidates' expertise in key technical treasury disciplines. Appropriately managed and analysed, the tests could form a very useful addition to face-to-face interviews in the assessment of treasury executives.

The tests have been compiled without any particular treasury position in mind, so they are not, in themselves, a wholly appropriate tool to differentiate between executives competing for any particular position. Nevertheless, with a limited amount of work, recruiting entities can extract relevant questions and/or sections to compile their own tests which can achieve this aim. If the tests are computerised, the end results can be summarised by category, weighted and, ultimately, used as a decision making tool.

This process is not, of course, perfect. Inevitably, weightings are subjective and statistical results are, well, statistics. As a decision aid, and utilising a process that forces the recruiting company to think rationally about the goals it is attempting to achieve, however, bringing CPD tests into treasury executive selection processes could be very worthwhile.

## Background

I am frequently asked the value of formal qualifications. Worthy and increasingly essential though they are, qualifications do not, in isolation, justify promotions or give guarantees of better jobs for life. Furthermore, the value of the achievements diminishes rapidly over time. Many executives achieve all of their examinations before the age of 30, but may find themselves challenging for roles up to a generation later.

From a recruiter's perspective, what does matter? In my opinion, it is highly desirable that any executive whose fundamental duties are technical, rather than managerial, should expand and update his/her technical knowledge continuously. Clearly this applies to

treasurers. From my regular contact with executives in this field, I can tell you that there are not only plenty of issues to become hopelessly rusty at but there are always new technicalities to learn.

## Points about interviewing

When technical executives seek pastures new, it is axiomatic that they need to demonstrate a sufficient, up-to-date grasp of relevant subjects at interview. Equally, the employer needs to be able to test this. How can this be achieved?

The recruitment fraternity would have us believe that, even if an interviewer is ignorant of the issues being discussed, it is not too hard to identify when an executive is knowledgeable, and when he/she is not. Such things can be gleaned from experience and body language. This may be true, but only up to a point. I would be the first to say that there is no substitute for face-to-face interviews. Nevertheless, not only are some executives extremely polished bluffers but some subjects, for example yield curve analysis, are clumsy to test by verbal means alone.

To be comprehensive in its techniques for choosing an executive, a company needs to avail itself of all available tools. Interviewing alone, especially given normal, stressed, corporate executive time constraints, can be improved upon. This is where the CPD tests can help.

## Potential uses of CPD as part of a selection process

In my experience, the most rational way to assess an executive's technical appropriateness is as follows:

- identify all of the key technical areas for the role in question;
- rank those disciplines in importance;
- set approximate weightings for each area. In addition it may be necessary to set minimum requirements for proficiency in any given, critical, subject;
- compile an interview schedule including questions on each discipline. Ensure that the timings mirror the

relative importance of the subjects being discussed; and

- armed with the schedule, interview the executive and then collate the results. Minimum proficiencies can be confirmed and a weighted average result of the findings achieved.

Clearly, the CPD tests, with their myriad of questions sub-divided into broad headings and specialist/generalist categories, can easily be adapted to prepare written versions of the above structure.

## Key points

**Scope** – the tests cover substantially all the technical areas within treasury. Subjects of specific importance to a role, can easily be added to or enhanced.

**Senior management time saving** – whilst client technical staff time is required to extract relevant questions from the CPD tests in the first place, the tests can be run, and the results collated (if not actually interpreted), by non-technical staff. This is a major bonus as it may result in busy senior executives having to interview fewer sub-standard candidates.

**Weighting and overall scoring** – to determine comparable final scores it is possible to weight the marks for each subject. The ability to do this is a clear aid to rational decision-making. It can help rid the selector of subjective bias.

**Flexibility** – manipulation of the test categories and individual questions allows employers to set a variety of tests appropriate for different managerial levels and different degrees of specialism.

**Transferability** – much of the content of the tests will be re-usable. Furthermore, I have little doubt that, as great networkers, treasurers will spy each other's work. There may ultimately be less toil involved than first appears! ■

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