

# MOVING INTO THE FAST LANE



**ROBERT DICKER'S MOVE TO VOLVO WAS PARTLY PROMPTED BY A DESIRE TO WORK WITH A TANGIBLE PRODUCT – AND THEY DON'T COME MORE TANGIBLE THAN CONSTRUCTION EQUIPMENT.**

It is amazing the number of accountants, treasurers and finance people who express, at some point during their career, a desire to see a 'physical' result from their work. Finance is, by its nature, an intangible discipline in many ways. The results of hard work may be seen in reduced costs, or increased profitability but there is nothing physical a finance professional can point at and say, "I did that". Sometimes, treasurers and accountants with developed careers make a switch that is prompted by the desire to deal with something more tangible. For Robert Dicker, a certified accountant and qualified treasurer with a career in the oil business and IT systems, the crunch came after an otherwise rewarding spell as Group Controller of McDonnell Douglas Information Systems (MDIS), an offshoot of the aerospace company.

"I'd been in the IT business for a while and had found the industry was always at the mercy of changing fads. I really wanted to get away from that into a more tangible business," he explains. The business he chose was Volvo – more specifically, a division of the group that specialises in manufacturing, selling and supporting construction equipment – and "tangible" doesn't come much bigger than an industrial excavator. "It's a really varied job and the products themselves are really interesting," says Dicker with a smile. "And, yes, there is an element of big boys' toys about it all."

**LEARNING TO GROW.** As CFO of Volvo Construction Equipment, he oversees the finance function of the GB arm of the business, which has more than 8,000 employees and which produces over 100 models of excavators, wheel loaders, motor graders and articulated haulers. The company's production plants are based in the US and Canada, France, Germany, Sweden, Poland, Brazil and Korea, and it has a growing customer base in more than 100 countries worldwide.

"The best thing about this job is the variety and the way I can get involved in the business," explains Dicker. "It has grown a lot over the past two years and we have expanded the product range. We are number five in the world for construction equipment sales at the moment, with ambitions to be number three. Volvo's ambition and international spread were two of the things that attracted me to the company."

Dicker's current role is the latest step in a particularly varied career. He took an accountancy foundation course straight from school ("I think I always had it in my mind that accountancy might be a suitable career for me and that it would provide a solid business training") and



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## CAREER PROGRESSION

- 1976-78** Auditor, George Little, Sebire & Co
- 1979-81** Lecturer in financial management, Emile Woolf College of Accountancy
- 1981** MSc Accounting & Finance, LSE
- 1981-82** Internal Auditor, Texaco
- 1982-83** Staff Accountant, Texaco New York
- 1983-86** Manager, Accounting, Texaco London
- 1986-89** UK Chief Accountant, McDonnell Douglas Information Systems (MDIS) Group
- 1990-93** UK Controller, MDIS
- 1993-94** Group Financial Controller, MDIS
- 1996-00** Group Controller & Treasurer, MDIS
- 1997** ACT qualified
- 2000-date** CFO, Volvo Construction Equipment

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qualified as a certified accountant with the ACCA while working for a City firm of chartered accountants. The prize he won during his ACCA finals – third place nationwide – prompted the Emile Woolf College of Accountancy (now known as EW FACT) to ask if he would be interested in lecturing future ACCA students. “I was quite young, but I think they wanted someone with an accessible style who had taken the exams fairly recently,” he says.

Dicker combined his three years at the college with his part-time studies towards an MSc in accounting and finance at LSE. “I felt I should get it under my belt because I didn’t do a first degree and I wanted a stronger theoretical background, and there were a lot of common areas between the courses I was lecturing on and the course I was studying,” he explains.

At the end of the degree course, he began looking for a move into commerce. The obvious, but perhaps less glamorous, route was internal audit. “I had the experience and I knew it would be fairly easy to move from there into a financial management role,” he says. “I thought about trying to get into corporate finance at the time and had a couple of interviews with banks, but I didn’t have the right background. So I looked for a multinational where I knew I would get pulled out of internal audit quite quickly.”

However, Dicker does think that internal audit gets bad press: “There is some ticking and bashing, but my experience of it was very interesting.” He joined Texaco and, sure enough, seven months later was taken out of the internal audit department to begin a year-long assignment in New York, to gain experience in the upstream end of the business.

“Texaco was beginning to build up its North Sea upstream (exploration and production) operations at the time and was training people up on the finance side. The accounting standards covering the oil industry are extremely detailed, particularly in the US,” he remembers

He moved back to the UK a year later to work for Texaco’s international operations that were routed through London, which at the time covered Spain, the Netherlands, Denmark and Iran. When the finance function for those operations were transferred back to their source country, he was moved again to UK operations in a financial planning role, dealing with forecasting and tax planning. He explains: “It was extremely interesting but quite specialised work and after a while I was concerned that I was becoming too specialised early on in my career.”

**SIGN OF THE TIMES.** Signs that the oil industry was beginning to reach a plateau after several years of growth also persuaded him that there may be fewer future opportunities in the same industry, so he decided to join MDIS, a subsidiary of the aircraft company as Chief Accountant.

The company, which specialised in computer-aided design and other IT systems, was broadening its portfolio through acquisitions and organic growth, but later experienced the knock-on effect of its parent’s financial difficulty and went through a series of disposals.

The remaining core business was then the subject of a management buy out (MBO) and, 12 months later, flotation on the London Stock Exchange. “That was when I really started getting involved in the treasury side because the MBO was very highly leveraged,” he says. “It was absolutely essential that our cashflow was in good enough shape to service the debt payments.”

Following the MBO Dicker was promoted to Group Controller. “I did a lot of work with the banks – Barings was sponsoring the flotation,” he says. “It was a fascinating process and probably the sort of thing that you get to do only once in your career.” When the company’s treasurer left shortly afterwards, he was asked to combine the role with his own. He says: “I was finding the group controller role a bit frustrating because I was an observer and a reporter. It is more divorced from the operational side of the business. When you are a treasurer, you have to understand where the risks are and where the cash is being generated, which means you are much more involved in the business.”

Soon after taking on the role of treasurer, Dicker completed the ACT qualification. “We had some interest rate swaps at the time of the MBO and currency hedges in place because of our US operations and I wanted to understand the technical theory as well as possible,” he remembers. “We were also renegotiating our bank facilities and I found that the qualification gave me a lot more credibility during the discussions.”

After exemptions, Dicker had two papers to sit and was awarded the prize for Best Paper in Corporate Finance and Funding. His accounting qualification and lecturing background was, he believes, definitely advantageous.

**DECISION TIME.** Dicker stayed at MDIS for another three years, working through two rights issues and seeing the appointment of a new chief executive and a name change to Northgate Information Solutions. But the new CEO’s decision to sell off many of the overseas businesses that were struggling to compete with their larger competitors was to persuade Dicker that it was time for him to move on.

“It was the right decision to streamline the business, but it meant the group went back to being principally a UK-based business and I felt that would be a backward step for me,” he says.

So he moved to Volvo – “a blue chip company with good products and solid corporate values” – as CFO of the GB construction equipment business. The company sells capital equipment often with a finance package plus after-sales support. The leasing experience Dicker gained while working at MDIS (which included setting up a leasing and rental programme with Kleinwort Benson) has proved extremely valuable, as has his treasury experience.

“The treasury qualification isn’t directly relevant to my role any more, but the training definitely fleshed out my background,” he says. “Our products are manufactured in various countries, which means there are a number of exchange rate and hedging issues to deal with. These are largely dealt with by group treasury in Sweden, but I find that I feel comfortable when I’m talking to banks and finance houses because of the treasury background and qualification I have.”

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