

➤ In a popular internet meme, a CFO asks a CEO, “what happens if we invest in developing our people and then they leave us?”, with the CEO replying “and what happens if we don’t and they stay?”

The meme prompts us to think about how and when we invest in our professional capability, especially during this time of economic uncertainty. In uncertain times, focus often turns to cutting spending, and it is easy to dismiss the importance of people and the impact their capabilities have on an organisation’s ability to find its way out of a downturn or crisis.

Skills evolution

The *Kyriba/ACT 2016 Treasury Survey* (see www.treasurers.org/kyriba/2016) explores concerns and priorities within the treasury community. The research shows a trend to the increasingly strategic role treasurers have. They:

- Manage group cash and liquidity – essential during tough times;
- Are strategic financial analysts, looking forward and steering the organisation through uncertainty;
- Provide counsel to the board and executive team on key decisions;
- Deal with changing markets and regulatory environments, and organisational compliance; and
- Play a growing role in the management of working capital with other departments.

Earlier this year, the ACT’s *Contemporary Treasurer 2016* research (see www.treasurers.org/contemporarytreasurer/2016) looked at how equal treasurers are to these changing demands. It found greater pressure on cash and liquidity management skills at all levels, and that treasurers at the start of their careers have skills gaps around business management, effective working skills, risk management and governance. Treasurers in more senior roles, meanwhile, need to focus on their strategic and influencing skills.

The treasury skills squeeze is on

Recruiter Robert Walters, recently polling 425 UK hiring managers, found that 38% think they will be facing treasury skills shortages when looking to recruit professionals in the second half of 2016. It also found that 24% of survey

respondents believed that Brexit would make these shortages worse.

A perfect storm is growing when considering the increasing business pressures on treasurers, and skills requirements are becoming greater in these key areas. Add to this the fact that many treasury teams are not increasing in size and much recruitment is for replacement, not growth. So where do the skills come from to meet the business needs and deal with all this change? The answer is that, much of the time, skills have to be developed from within the team.

Knowing where to start

Often managers, when faced with team skills gaps, jump to the training solution before identifying what the gap is and pinning down how filling it will benefit their organisation. Managers should:

Step one: make sure they know what their organisational objectives are, focusing development activities on the areas of the business where they know they need to deliver results.

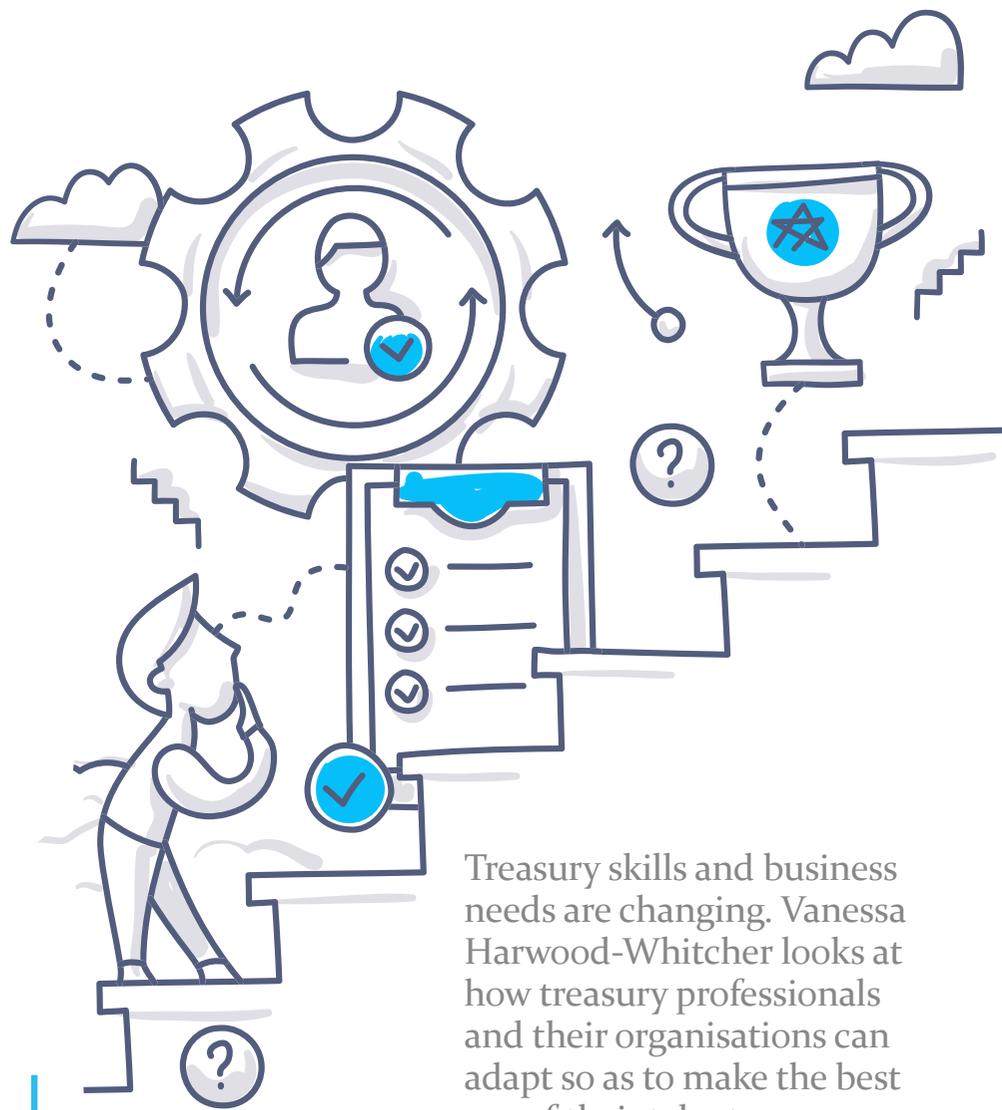
Step two: ensure they really know what talents and development areas exist in the team. Sometimes star team members or the ones who need help can lay hidden. A good way to check skills levels is by benchmarking the team against competency frameworks or using capability analysis tools that offer an independent view.

Step three: move towards planning people development and creating an action plan once they know where people are against their organisational needs.

Step four: decide on the most appropriate training solution. The temptation is to send people on a course.

IN DEVELOPMENT

Treasury skills and business needs are changing. Vanessa Harwood-Whitcher looks at how treasury professionals and their organisations can adapt so as to make the best use of their talent



This may be the right solution, but there are other development tools that may give more flexibility and make the most out of constrained learning and development budgets. These include on-the-job training, such as coaching by line managers/peers, work shadowing, internal knowledge-sharing events, job rotation or secondments. This is assisted by knowing where the team's talent is and encouraging them to support colleagues. E-learning, classroom-based group training, webinars and virtual classrooms are also helpful, as are open programmes, such as conferences and events.

Step five: Measure what has changed.

A common pitfall is to think that once a team has attended training, the job is done and the skills shortfall is fixed. In reality, it takes time for new skills to bed down, and managers have to support their teams' new skills. This includes:

- Giving constructive feedback – help where the skill is not quite there and praise when something has changed;
- Revisiting the organisational objectives set in step one and evaluating whether the skills changes are impacting these objectives – managers and treasury professionals should ensure they

communicate any positive changes and learn from what you would have done differently; and

- Re-running the benchmarking activities in step two. This gives a real 'before and after' picture of the changes, which is quantifiable and can help demonstrate a return on investment for any development undertaken.

Supporting skills challenges

Over the past three years, the ACT has undertaken its own skills and education journey involving a wide-ranging consultation with treasurers, colleagues from service providers and financial institutions, as well as academics and learning and development teams.

Building on consultation findings, the ACT developed a competency framework that aims to express the skills, knowledge and behaviours people should demonstrate at all levels of their career. This information is freely available and many employers are already using it to set the standards with their treasury teams.

All this has further led the ACT to introduce a range of new qualifications that offer progressive pathways for the treasury professional, enabling them to jump on and off, depending on what stage

of their career they are at. At a glance these are listed in the table (see below, left).

These new qualifications, as well as face-to-face and new short e-learning skills-based courses, are now available in one place through the ACT's online Learning Academy (see page 17). All courses have been designed to offer maximum flexibility in terms of time and budget.

For those not sure where to start, the ACT offers an online diagnostic tool and has supported organisations in identifying both their high performers, which helps with talent and succession planning, as well as looking at where colleagues need new or deeper skills. Recently, a FTSE Top 20 corporate that wanted to gain greater visibility on the capability of its team to harness talent used the ACT tool to arrive at capability reports for all team members showing strengths and development areas. For the group treasurer, a helicopter view for the whole team was provided, which enabled pockets of expertise, such as cash management, to be leveraged.

Treasury skills are in your hands

With around £39bn spent each year by UK businesses on formal training, according to a CBI study (*Business Investment in Skills: the road to growth*), it is critical that the ACT plays its part in ensuring this investment is made to best effect for our own organisations, and also for our society and wider economy.

Evidence suggests that employers who invest in the training of their people see a return on their bottom line. *HR Magazine* cites a 24% increase in profits among US companies that invest more than \$1,500 per employee. So why not get started today and see what the ACT can do to boost your professional skills? 🚀

PATHWAY QUALIFICATIONS				
Progression	Qualification	Level	Comparison to previous ACT qualifications	Membership grade/designatory letters
	Certificate in Treasury Fundamentals	Introductory, tactical	Replaces CertFin	E-Affiliate/CertTF
	Certificate in Treasury	Operational	Replaces ITM	Affiliate/CertT
	Diploma in Treasury Management	Managerial	Replaces AMCT Certificates	Associate/AMCT
	MCT Advanced Diploma	Strategic	No change	Fellow/FCT
STAND-ALONE QUALIFICATIONS				
Award in Cash Management Fundamentals	Introductory/operational	New		
Certificate in International Cash Management	Operational/managerial	No change		Affiliate/CertICM



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