Developing the CFO of the Future

The Changing Role of Finance Executives in Leading Canadian Companies

ODGERS BERNDTSON

Rotman School of Management
UNIVERSITY OF TORONTO

Foreword

The role of the Chief Financial Officer (CFO) is changing, and increasingly companies are looking for a broader set of skills and leadership abilities when appointing their CFO. This study takes a careful look at the changing role of the CFO, combining statistical evidence from the last decade with insights on current expectations and responsibilities gained from interviews with directors and senior executives from some of Canada's leading corporations.

The study confirms that in today's dynamic business environment much is expected of the CFO, going far beyond traditional accounting skills. Increasingly the CFO is seen as an invaluable business partner for the Chief Executive Officer and an influential member of the leadership team – as concerned with facilitating the company's growth and capacity for innovation, as with protecting its financial integrity.

Results of the study served as a catalyst for the Rotman School of Management, in partnership with a team from Odgers Berndtson, to create a unique leadership development program designed specifically for Chief Financial Officers and those aspiring to the role. The program, "Business Leadership for Finance Executives," focuses on those strategic and leadership competencies which are now so important for success in this crucial role. It provides an opportunity for finance executives to step outside of their day-to-day responsibilities and think deeply about the experiences, skills and capabilities essential to enhancing their effectiveness as senior finance leaders and members of the C-suite.

It is the hope of both Rotman and Odgers Berndtson that this study will provide companies with insights into how to identify and develop truly exceptional financial executives for their organizations.

Tiff Macklem
Dean, Rotman School of Management
University of Toronto

Introduction

"The best CFOs are shadow COOs who often are the honest broker on the executive team."

Patrick Pichette
CFO, Google Inc.

The demands on today's Chief Financial Officer have never been greater. Over the past 15 years, the business world has been shaken by corporate accounting scandals, the biggest financial crisis since the Great Depression, the meteoric rise of shareholder activism, and heightened reputational risks driven by social media. The CFO has now become a powerful force in organizations and, after the CEO, is arguably the most critical hire a company will make.

Through our search work with leading Canadian Boards, Chief Executive Officers and Chief Financial Officers, it has become evident that it is no longer enough for the CFO to be a functional or technical expert. CFOs are expected to know more, do more, and contribute more to the overall success of their companies than ever before.

"Getting to CFO is 80% functional/ technical and 20% leadership skills – once in the CFO chair this equation is turned on its head."

Brian MacDonald
CEO, Hertz Equipment Rental Corp.

In addition to first-class financial expertise, today's CFO must relate effectively to the full scope of the business, from sales and marketing to technology and operations. The mandate has expanded to include oversight over corporate functions such as IT and legal, which have historically reported directly to the CEO. Today, success requires that the CFO be strategic, operationally savvy, and forward-looking. They need the ability to influence a broad group of stakeholders, and to communicate in a straightforward, compelling manner.

A Comprehensive Look at Today's CFOs

Are Canada's top companies meeting the challenge when it comes to finding the right CFO for their organizational needs? To gain a better perspective on the changes in this vital role and what goes into the successful selection and development of a top CFO, Odgers Berndtson has conducted one of the most extensive CFO studies undertaken in Canada.

Examining the top 100 public company CFOs in Canada over the past decade, we looked at trends on how leading companies fill this position (see Appendix for methodology). What educational qualifications are most coveted? What professional areas tend to produce the most CFOs? Is it better to develop a CFO from within or to look beyond the company? Are particular industries providing examples for others to follow?

We examined the personality and leadership traits of close to 300 high-performing CFOs, using data from our global psychometric partner, Hogan Assessment, in order to identify the key differentiators of world-class CFOs. This provided insights into the traits most commonly held by top CFOs. Some of the results surprised us.

Finally, in partnership with the Rotman School of Management, we conducted interviews with some of Canada's most accomplished executives, situated across the globe, who brought perspectives from their positions as Board Directors, Chief Executive Officers and Chief Financial Officers.

This paper combines all three elements to draw some conclusions about the changing role and leadership capabilities of the CFO, which can serve as a blueprint to help companies rethink the way they select and develop the top financial people in their organizations.

"A decade ago, you would be walking down the hall and executives would turn the other way. Now the CFO is a value-added partner."

Gord Nelson
CFO, Cineplex Inc.

The Academic Landscape: Fewer CFOs Bringing MBAs to the Job

- MBA degrees in decline at CFO level
- 11% of CFOs have a Masters/ designation combination
- 69% of CFOs completed business or finance related undergraduate degrees

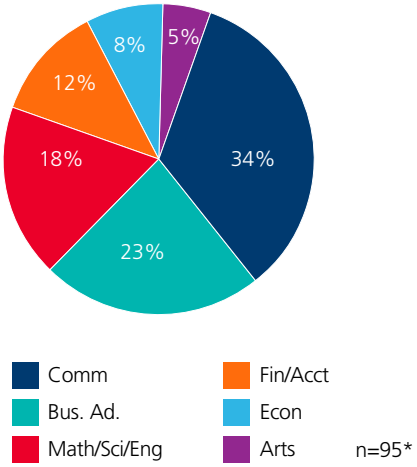
Business schools and commerce faculties remain the primary training ground for Canadian CFOs, with 69% holding undergraduate degrees in business and finance related disciplines. To our surprise, however, the number of CFOs with graduate degrees appears to be declining. In 2004, 32% of CFOs had a master's degree, versus 24% in 2014. The trend is similar for those with both a Masters degree and an accounting/finance designation. In 2004, 17% of CFOs held dual qualifications, compared to just 11% today.

This trend is viewed with concern by Pavi Binning, president of George Weston Limited, who says: "The CPA, CA designation, while critical, is only one leg of the stool. What are you doing to address strategic thinking and the ability to drive operational performance?"

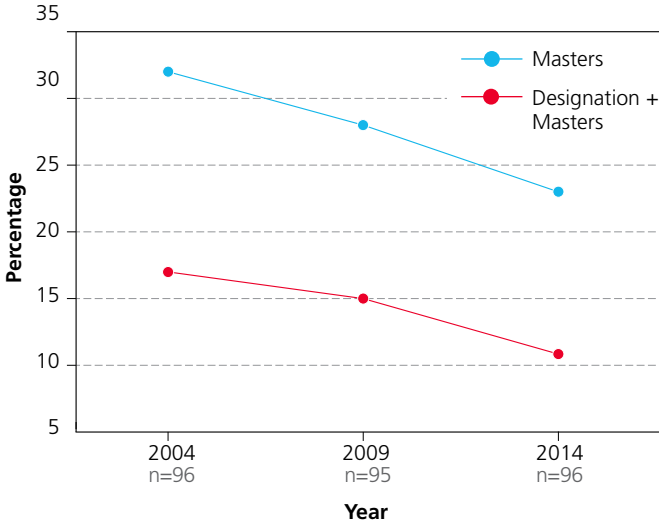
What is replacing the MBA? For many CFOs, it's the CPA, CA. In 2004, 60% of all CFOs were CPA, CAs. Today that number has risen to 70%. Some point to Enron and other corporate scandals as the catalyst for this trend, as companies have become more cautious around financial governance and controls. At the same time, the financial crisis of 2008 prompted cost-cutting, which may have impacted support for leadership development programs such as the Executive MBA.

Undergraduate & Graduate Degrees

Undergraduate Qualifications



CFO Post-Graduate Qualifications



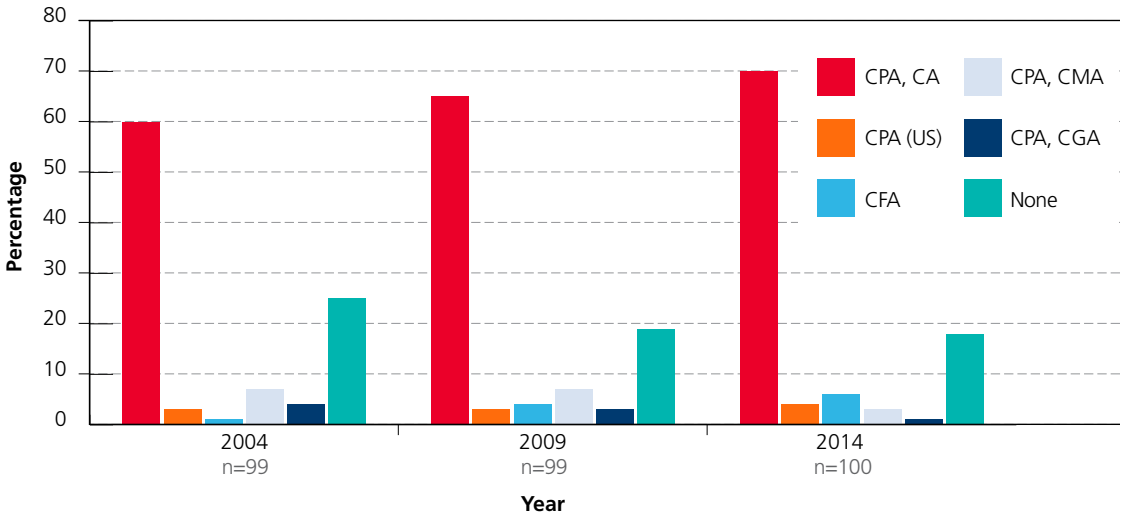
*Unless otherwise indicated, sample size is 100.

It is notable that the CFA designation is becoming more common among CFOs. While the proportion remains relatively small, at 6%, it is significantly higher than in 2004, when only 1% of CFOs had the CFA designation. The move away from the general business education offered by an MBA, and the corresponding rise in more focused professional qualifications, may be problematic at a time when CFOs are expected to do more than just report and interpret the numbers. "The CFO is expected to contribute more broadly, helping the organization stay ahead of its competitors," says Kay Brekken, CFO of First Capital Realty. "You have to anticipate what is coming down the road and try to stay one step ahead of the CEO."

"The CFO needs to strike a constant balance of being an advocate while also being a challenger. It's a fine line and the pendulum often swings too far one way or the other. This can be problematic as he/she will be seen as a roadblock or as someone who is just a yes person."

Bobby Kwon
SVP, George Weston Limited

Financial Designations*



- CPA, CA most popular designation, followed by CFA
- 16.6% increase in CPA, CA designated CFOs since 2004

*In some cases a CFO had completed more than one designation.

Achieving Longevity

- 4.8 years average tenure of CFO if appointed externally
- 6 years average tenure if CFO appointed internally
- 20% longer female tenure vs. male tenure

Given the paramount importance of having a CFO who truly understands the business and has earned the trust of the Board and senior team, the goal for any organization must be to keep their CFO long enough to make a difference. The good news is that Canadian companies are getting better at finding the right person, as overall tenures have increased over the last decade.

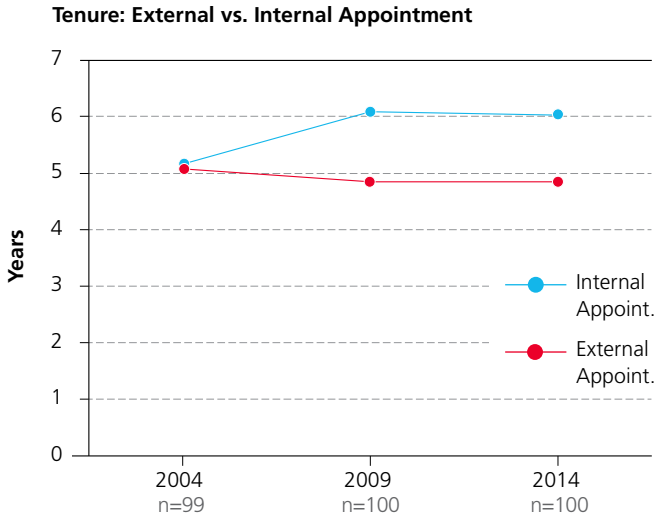
Our analysis of the top 100 public company CFO roles in Canada revealed a correlation between tenure and the background of the CFO. Internal candidates tend to last longer: 6 years versus 4.8 years for those who are brought in from outside.

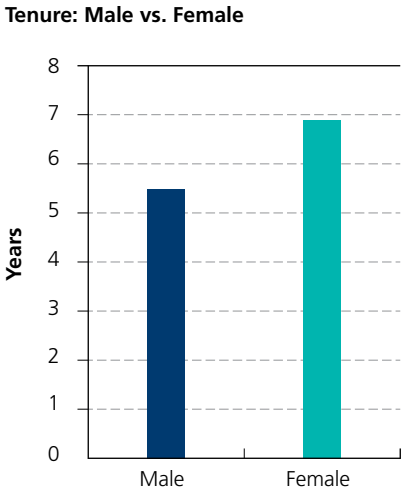
This suggests that choosing a CFO who knows the organization from the ground up and has established relationships reduces the chances of failure. As Kevin Glass, CFO at CIBC, notes, "the Board interaction requirements have changed significantly for the CFO with a far higher expectation to develop strong relationships with the Board and Audit Committee". Karen Maidment, who serves on the Board of Directors at TD Financial Group and TransAlta, agrees: she believes the conditions are different if you come from outside the organization. "When you are promoted from within you generally have organizational support. If you are new to the organization you are unproven and you need to build in certain mechanisms to be successful". When Karen was appointed as CFO of BMO Financial Group from outside, she identified an internal mentor who she could leverage to help navigate her way through the organization.

"When you are promoted from within you generally have organizational support. If you are new to the organization you are unproven and you need to build in certain mechanisms to be successful."

Karen Maidment, Chair Risk Committee, TD Bank Group and Chair Audit & Risk Committee, TransAlta

Average Tenure



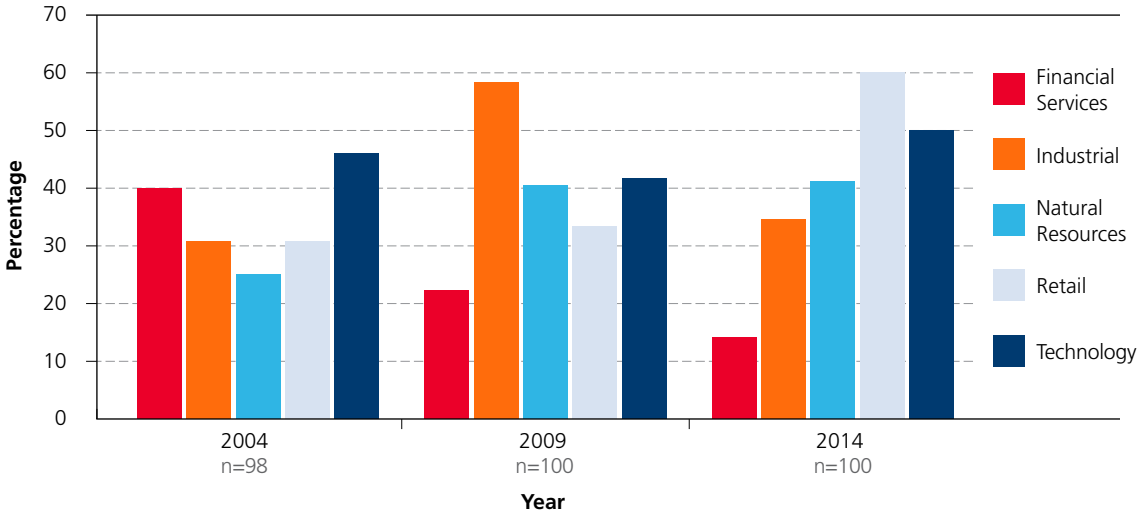


From an industry perspective, financial services has made great strides over the past decade in nurturing their CFOs internally. In 2004, 40% of CFOs in financial services came from outside the organization, but this percentage has dropped sharply to only 14% in 2014. The five large Canadian banks, for example, have all promoted their CFOs internally. This had led to some impressive tenures, including two of the five CFOs approaching a decade in their respective careers.

While the sample size is relatively small, it is interesting to note that women tend to stay in CFO positions longer than their male counterparts: 6.9 years versus 5.5.

- Financial Services most likely to appoint from within
- Retail most likely to recruit a proven CFO

External CFO Appointments – By Sector



The Path to the CFO's Office

- During 2008/2009 financial crisis, sharp increase in companies appointing proven CFOs
- Financial Operations, most likely path internally to CFO

It came as no surprise that the top 100 companies tend to look to established, experienced CFOs to fill their own vacancies, favouring proven experience at other companies. This has been especially true in times of economic crisis, such as 2008, which saw a spike in appointing sitting CFOs.

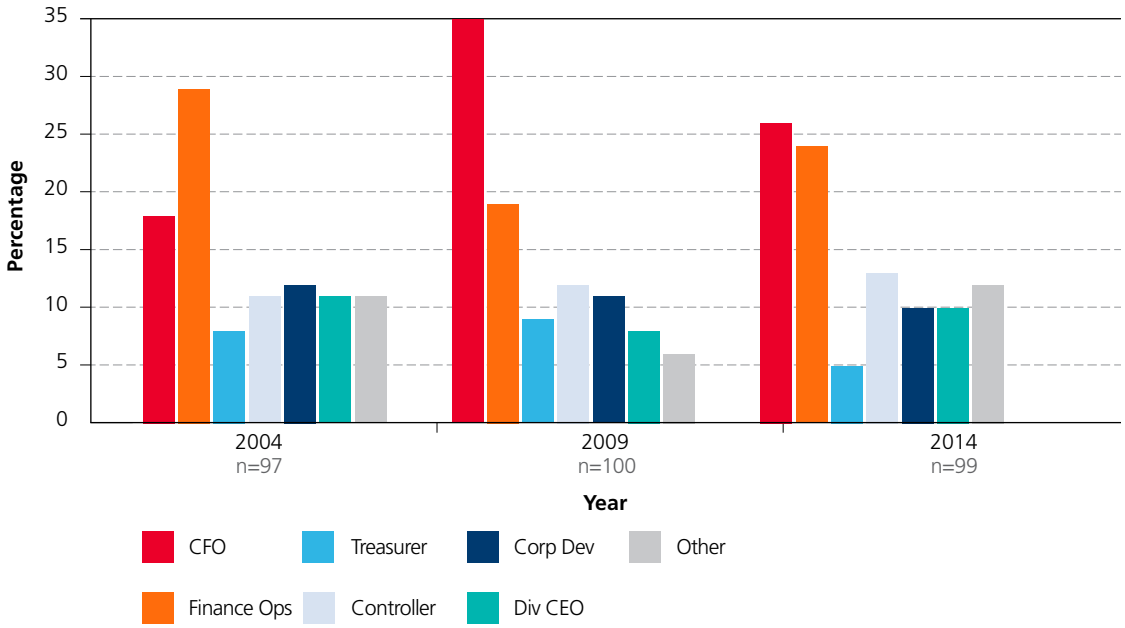
This is an approach advocated by David Leslie, who has chaired the audit committee at Enbridge and also served as a director with Empire Company Limited and The Bank of Canada. "When we are talking about the top 100 companies in Canada – or at least the top 25 – I feel there is a greater need for a proven CFO," he said. "Certainly in a highly regulated business, you want a CFO who can navigate through this. It's risky when you have to learn on the job."

From an industry perspective, retailers are especially likely to recruit from outside the company and even the industry: 80% of retail CFOs have had experience in non-retail companies. At the other end of the spectrum, financial services firms are more likely to draw from within their industry. These figures are likely a reflection of the unique issues in financial services and the increasing regulatory requirements we have seen since the financial crisis of 2008.

"When we are talking about the top 100 companies in Canada – or at least the top 25 – I feel there is a greater need for a proven CFO."

David Leslie, Former Audit Chair, Enbridge

- Role Prior to CFO Appointment

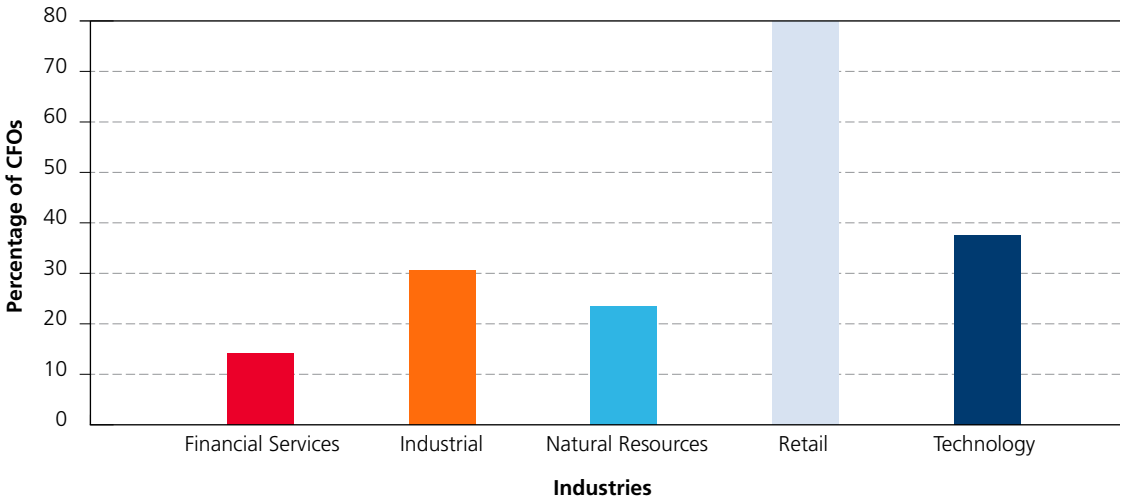


First-time CFOs are most likely to come from financial operations (FP&A), perhaps as a result of the high visibility and trust required in these positions – partnering with the key business leaders to drive bottom-line and top-line growth. Patrick Pichette, CFO of Google Inc., believes "it is a critical part of your journey to have been in operations." At Google, high performers in finance are often on three year rotations: those leading FP&A are deeply embedded in their respective business lines and are exposed to strategic and operational decisions on a daily basis.

George Weston's Pavi Binning believes in moving finance talent around the organization to develop a broader view of the business and ensure well-rounded professional competence. At Diageo, an organization with a reputation for developing strong finance talent, Pavi was moved into a 12-month sabbatical at the company's investment bank to develop his capital markets skills. Many leading global companies, including General Electric, Honeywell and PepsiCo, invest heavily in financial management development programs which expose their financial talent to a rigorous schedule of classroom training and on-the-job assignments. It is no accident that these companies produce many of the CFOs now with other Fortune 500 companies.

- Retail sector most open to bringing in talent from outside the industry
- Financial Services most resistant to importing talent from other sectors

Multi-Industry CFOs – By Sector



Gender and Ethnic Diversity Show Slow Progress

- 2004-2009, significant improvements in ethnic and gender diversity at CFO level
- 2009-2014, no movements in gender and ethnic diversity at the CFO level

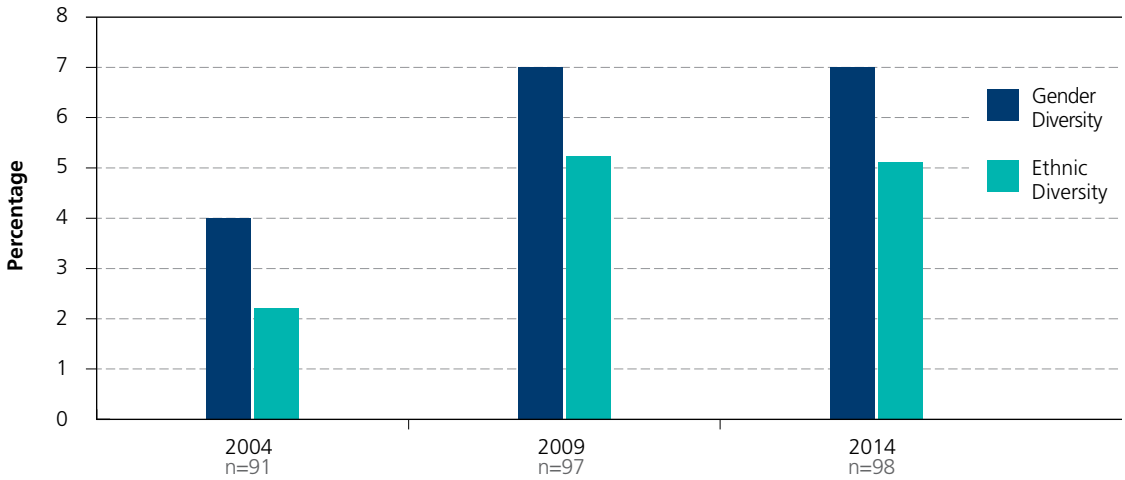
Much has been written around the need for companies to bring more diversity to the boardroom and to the C-suite. In 2014, 7% of CFOs at the top 100 companies were women, showing some improvement over the 4% in 2004. Canada, however, is still lagging behind the US according to a Bloomberg study from 2013 that revealed 54 of the S&P 500 CFOs were women – over 10%.*

The picture is similar when it comes to ethnic diversity. Under-representation remains an issue, although the numbers have improved somewhat since 2004. Today, 5% of CFOs come from visible minorities.

Financial services (principally headquartered in Ontario) and natural resources (based mostly in Alberta) represent the most diverse sectors, reflecting the success of their diversity-oriented programs to promote candidates internally.

Ethnic and gender diversity at the CFO level remains low, consistent with the diversity in other C-level positions. Today, the value to a business of diversity on the Board and the executive team is widely accepted. Canadian companies must stay focused on attracting, developing and retaining top diversity talent to ensure Canada does not lag behind other developed markets.

National Diversity – Past 10 Years



*"Women CFOs Reach Record Level in U.S." Bloomberg.com 2013

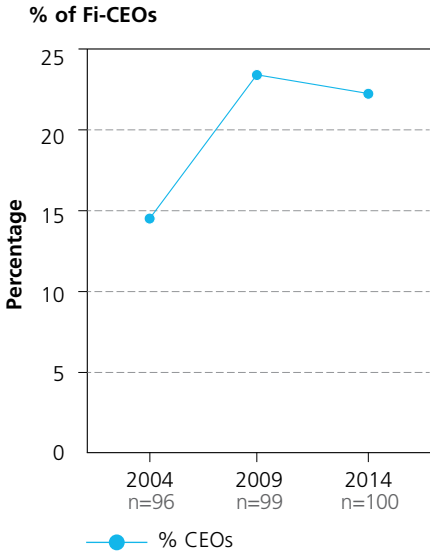
From CFO to CEO: Key Trends

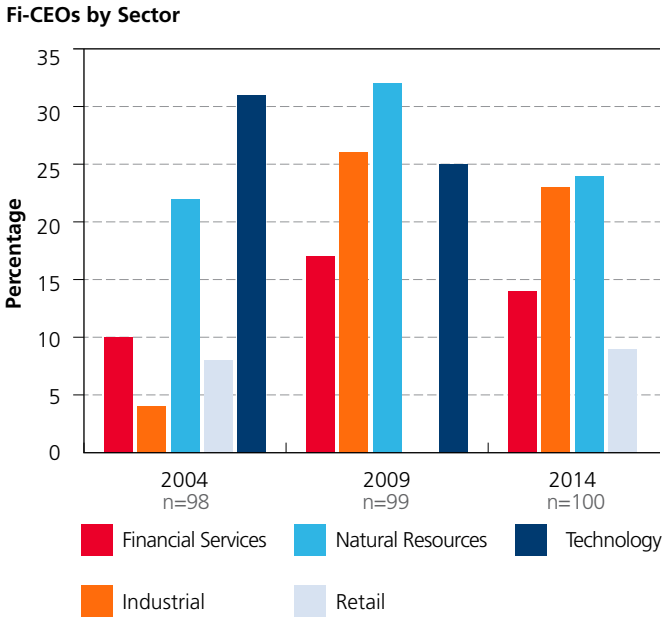
Our survey found that executives with finance leadership experience are increasingly moving into their company's top position. In 2004, only 14% of CEOs had served in an executive position within finance. By 2014, that number had risen to 22%. The increase is especially noticeable in the natural resources sector where as many as one in three CEOs has served in a finance executive position. While this number may be increasing, it is important to note that what makes a CFO successful may not necessarily translate into success as a CEO. Scott Thomson, CEO of Finning International Inc. and former CFO of Talisman Energy, noted: "It was interesting how different the CEO role is from the CFO. As the CEO, most of my time is spent with customers, employees and suppliers."

It can be argued that if you are focused on adding real value as a CFO, with aspirations to one day becoming a CEO, you need to move outside the confines of your office and engage with external audiences. Michael Vels, EVP and former CFO at Maple Leaf Foods, is a strong believer in this and feels some CFOs can "be too insular in their thinking and need to make time to find out what is happening outside of their own ecosystem."

- 8% increase since 2004 in CEOs who have held a finance executive position
- Industrial & Natural Resources most likely to appoint CEO with finance experience

From CFO to CEO: Key Trends





*Fi-CEO is defined as a CEO who has held a vice president level position, or above, in the finance function

Leadership Characteristics

"The CFO and CEO must be close business partners, able to communicate openly and candidly. Going through a crisis helps bring you together."

Michael Rousseau
CFO, Air Canada

In conjunction with Hogan Assessment Systems – the world's leading provider of executive assessment tools – Odgers Berndtson reviewed the psychometric profiles of close to 300 top CFOs and finance executives in Canada, the United States, Asia and Europe. Our goal was to test some of the assumptions about the characteristics of leading CFOs. We reviewed data such as personality tendencies, potential "derailers" (factors that may impact a CFO's ability to function under stress) and personal motives and values. From this analysis, we were able to identify a number of important leadership capabilities.

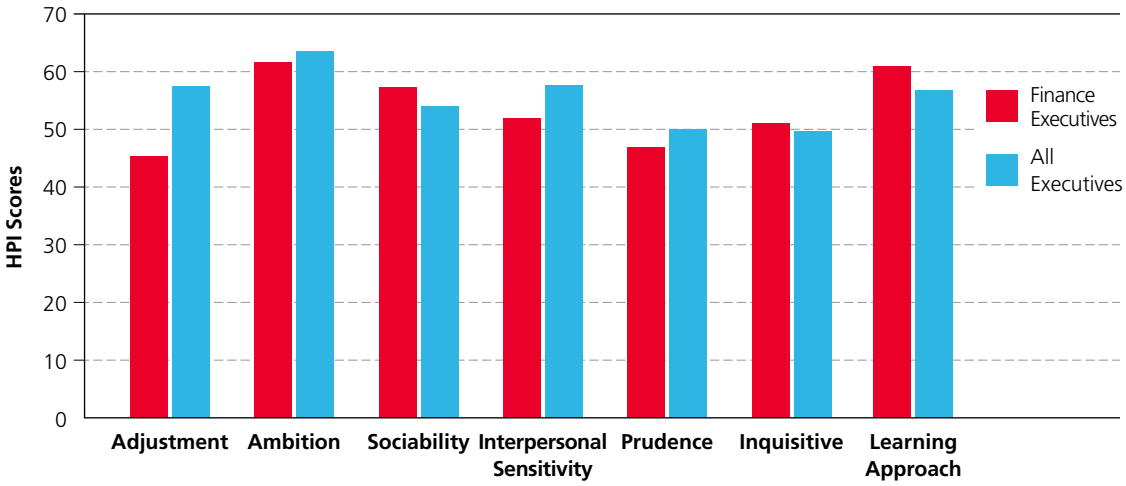
The bottom line:

- Top finance executives demonstrate **high achievement orientation**. They are competitive and driven to succeed – a critical executive trait.
- They are **resilient, hard-working and self-accepting**, particularly in times of stress.
- As a group, leading global CFOs tend to be **strong relationship builders and aren't afraid to step into the limelight,** which allows them to deal effectively with their peers in the C-suite, board members and investors.

These assessment results also revealed some counterintuitive findings. We found that the profile for these successful CFOs is more similar to that of business development executives or entrepreneurial CEOs than it is to that of budget- or control-oriented individuals. We found that these CFOs are generally less process- and rule-oriented than other executives – much less so than we would have predicted. They are often quite flexible, open to change and able to deal with ambiguity without getting flustered. While intuitively one might expect CFOs to be somewhat inflexible and detail-oriented, we have found that they are often the voice around the executive table that calls for change and encourages others to think outside the box.

Furthermore, CFOs scored high when it comes to inquisitiveness and the desire to learn, suggesting capacity for developing strategy and staying current with technology and operational issues. They have the ability to find innovative solutions to complex business problems, which seems to align with the notion that today's successful CFOs must be able to bridge the gap between strategy, execution, and finding new sources of value for the organization.

- HPI Results of Finance Executives Measured Against Executive Norms



Hogan HPI Definitions – 7 Scales of HPI

- **Adjustment** – the degree to which a person appears confident, self-accepting and stable under pressure.
- **Ambition** – the degree to which a person seems socially self-confident, leader-like, competitive and energetic.
- **Sociability** – the degree to which individuals seem approachable, talkative and task-oriented when interacting with others.
- **Interpersonal Sensitivity** – the degree to which a person is seen as perceptive, tactful and politically astute.
- **Prudence** – the degree to which a person seems conscientious, conforming and dependable.
- **Inquisitive** – the degree to which a person is perceived as bright, creative and big-picture or short-term focused.
- **Learning Approach** – the degree to which a person values learning and stays up to date with business and technology.

Conclusion: Three Key Drivers for Developing the Future CFO

The Board Directors, CEOs and CFOs we spoke with all agreed that the demands on the CFO have changed markedly over the past decade, accelerated by key events and disruptive trends. Our study demonstrates that the successful CFO is anything but a narrow specialist. As Brian MacDonald, CEO of Hertz Equipment Rental Corporation, notes: "The talent piece is critical. I constantly asked myself as a CFO, 'am I working on the things only I can do?' If you have good people around you, you can spend your time where you want to spend it and where the organization most needs you."

"Organizations need to be prepared to move their talent into different roles, including operations. While at Diageo, I had a 12-month sabbatical in our investment bank to develop my investor relations and capital markets skills. This really rounded me out as a CFO."

Pavi Binning
President, George Weston Limited

Today's CFOs need to be driving the organization towards growth while protecting it from the hazards that lie in its path. As noted in our Leadership Assessment analysis, the most successful CFOs aren't afraid to push limits and find creative solutions to address complex challenges. They are open to change, remain composed and positive under stress, and are a trusted and rational voice around the table. Today, CFOs have to be among the company's strongest advocates, catalysts for innovation, growth and improved performance – yet at the same time must serve as the last line of defence.

For a company to hire a CFO to fix specific problems reflects short-term thinking. Financial reporting may be addressed by a candidate with a strong accounting background, but once that issue is resolved, the same candidate's weaknesses in strategy, communications or investor relations may become apparent. The trends suggested by the data in this paper show that, overall, not enough CFOs bring a wide-ranging business outlook to their jobs.

Successful companies must reverse this trend by developing and appointing professionals who are equipped to deliver on this new mandate.

"You have to be willing to put in the hours and show a genuine interest in the people who are running their businesses. CFOs add most value by integrating their work with the decision makers in the business."

Kevin Glass
CFO, CIBC

1. Leadership and Business Acumen

Attracting and then developing CFOs with strong business acumen must be the focus of any successful organization, regardless of the industry. Providing access to a company-sponsored MBA or leadership development program is one way to develop this acumen; however, it is critical to ensure that finance leaders are embedded in the company's decision-making process early on.

Exceptional finance leaders are able to cite examples where they had the courage to challenge their colleagues within the business and not accept a decision they felt was taking the business down the wrong path. It is a delicate balance; the CFO of today must, as Bobby Kwon, SVP at George Weston Ltd., rightly points out, be comfortable pivoting from advocate to critic. Today's organizations must encourage their finance leaders to engage outside of their functional responsibilities, whether it be with other divisions, customers or suppliers, and to balance risk, while advocating growth and innovation.

"Nothing that is a big accomplishment gets done easily – you need perseverance."

Ian Clarke
CFO, Maple Leaf Sports & Entertainment

2. Broad and Diverse Experience

Given the breadth and complexity of the CFO portfolio, finance executives must be exposed to as many parts of the business as possible. Companies need CFOs who have taken a 'corkscrew' approach to their careers rather than follow a straight line. Internally, consider moving your high performers around the organization on a two- to three-year rotation.

When hiring from outside, look for a CFO who has been exposed to a broad range of business issues, following the example of General Electric, a globally recognized producer of top CFOs, which continually stretches its finance talent and exposes them to a wide range of business challenges. Some companies take advantage of large-scale restructuring or transformation initiatives as a way to test their finance talent. These projects can provide unique opportunities to work across all business lines. General Motors often deploys their best finance talent to areas of the business that most need attention. Such assignments provide a rich development experience to accelerate critical thinking/problem-solving skills and to enhance the executive's ability to negotiate, influence and drive sustainable change.

A CFO candidate who has been given the opportunity to 'fix' major issues will learn adaptability, develop an openness to new ideas and build strong leadership skills – all characteristics of today's successful CFO, as shown in our Leadership Assessment analysis.

"TD is recognized globally for our approach to Investor Relations. This is the result of a deliberate plan we put in place to be responsive, transparent and value-added when dealing with the investment community."

Colleen Johnston
Group Head Finance, Sourcing and Corporate Communications, and Chief Financial Officer, TD Bank Group

3. Stakeholder Engagement

Today, the CFO must relate to a large and diverse group of stakeholders, each with their own unique set of expectations. Through the course of our research, it became clear that until now CFOs have had little preparation interfacing with key external audiences such as investors, analysts and the media. As a result, they find themselves learning through a "baptism by fire" rather than through thoughtful and deliberate development. Companies need to expose their future finance leaders to these external stakeholders, giving them the opportunity to hone their communication and political skills. At the same time, audit committees have a responsibility to ensure senior members of the finance team have an opportunity to present on key issues and initiatives, a fundamental requirement for success as a Chief Financial Officer.

Thank You to Our Advisory Board

Pavi Binning
President
George Weston Limited

Kay Brekken
Executive Vice President &
Chief Financial Officer
First Capital Realty Inc.

Ian Clarke
Chief Financial Officer
Maple Leaf Sports & Entertainment

Kevin Glass
Senior Executive Vice President &
Chief Financial Officer
CIBC

Colleen Johnston
Group Head, Finance, Sourcing and
Corporate Communications &
Chief Financial Officer
TD Bank Group

Bobby Kwon
Senior Vice President,
Chairman's Office
George Weston Limited

David Leslie
Former Audit Chair, Enbridge and
former Director, Empire Company
Limited & The Bank of Canada

Brian MacDonald
Chief Executive Officer
Hertz Equipment Rental Corporation

Karen Maidment
Board Director, Audit and
Risk Committee, TD Bank Group
& TD Ameritrade, and Chair, Audit
and Risk Committee, TransAlta
Corporation

Gord Nelson
Chief Financial Officer
Cineplex Inc.

Patrick Pichette
Senior Vice President &
Chief Financial Officer
Google Inc.

Michael Rousseau
Executive Vice President &
Chief Financial Officer
Air Canada

L. Scott Thomson
President &
Chief Executive Officer
Finning International Inc.

Michael Vels
Former Chief Financial Officer
Maple Leaf Foods Inc.

Appendix

Description of Selected Data Variables

Diversity

The term "diversity" refers specifically to ethnic diversity. Individuals considered diverse are members of a visible minority. Under the Federal Employment Equity Act, "members of visible minorities" means "persons, other than aboriginal peoples, who are non-Caucasian in race or non-white in colour." Statistical proportions regarding diversity and gender are regarded as distinct categories. This particular research method was used in consultation with Maytree, a foundation that promotes equity and prosperity.

Industry

The companies were grouped into five industry categories: Financial Services (banking, insurance, real estate), Natural Resources (oil & gas, mining, timber), Industrial (manufacturing, transportation, utilities), Retail/Consumer (food, hardware), and Technology (telecom, media, IT).

Length of Tenure

We allowed for a partial year of data, which was measured up to one decimal point. In cases where the specific month was not indicated, we rounded up for the full calendar year. Tenure was measured up until the end of the first quarter of 2014.

The Study: A Note on Methodologies

Methodology

- We identified individuals in the role of CFO and CEO[i] in Canada's 100 largest publicly traded corporations,[ii] according to The *Globe and Mail*'s Report on Business 1000 issue.[iii]
- Data was collected on the top 100 public firms of 2004, 2009, and 2014.[iv] The data was based on 12 variables for the CFO role and on 5 variables for the CEO role.
- The data was analyzed to identify key trends in the CFO roles over the last decade.
- In addition, we carefully reviewed the leadership assessment results of close to 300 CFOs and financial executives from Europe, North America and Asia. Using three psychometric instruments – the Hogan Personality Inventory (HPI), the Hogan Development Survey (HDS), and the Motives, Values and Preferences Inventory (MVPI) – we analyzed the data to help identify the traits that make for a successful CFO.

Limitations of Study

- This study does not use a random sample of executives, and therefore does not attempt to make inferences about the entire CFO population. Instead, the study purely sheds light on the characteristics of the CFO roles in the 100 largest publicly traded companies in Canada.
- CFO data was gathered from several public sources. In some instances, certain data could not be found on each of the CFOs[v], thus small differences in the size of the denominator existed while calculating various statistics. For example, when the data was analyzed for trends, some statistics where n=100 in one year were compared with another statistic where n=95 in another year. In these cases it is believed that the differences did not have a material effect on the trends identified.

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[i] Although the title "CFO" was used throughout this study, some of the financial executives included had different titles. The main criterion for inclusion was that the individual must occupy the lead finance role within the firm.

[ii] The top 100 companies are not a diverse group in terms of either geography or industry. While all regions are represented, over 80% of companies on the list are headquartered in Ontario, Quebec, and Alberta. The industry mix has remained relatively consistent since 2004, with industry, natural resources, and financial services taking the top three spots in each of the sample years and currently accounting for 81% of the top 100 companies.

[iii] The ROB 1000, released annually in the summer, ranks companies based on the previous year's profits. However, this study chose the top 100 firms based on revenues because it was felt to be a more appropriate indicator of a company's size. Some firms from the ROB 1000 were excluded because they were owned by the Crown, their CFO was not based in Canada or they were subsidiary firms that operate with the same CFO as the parent company.

[iv] When a CFO turnover occurred within one of these years, the CFO who left the role was included. If the role was interim, the previous permanent CFO was included. For the 2014 period, the list of companies is based on the ROB 1000 for 2013, since the 2014 ROB 1000 was not yet released at the time of this study. CEO data was only collected from those who previously held a senior finance role in their career.

[v] In these cases, missing information was marked as N/A and deducted from the denominator when calculating statistical proportions. Any deductions did not have a material effect on the results.

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If you would like to discuss any aspect of this report, or how we can help your company best prepare for the new expectations from today's CFO, please don't hesitate to contact us.

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