FIRST 90 DAYS:
SUCCESS FOR A FINANCE LEADER

Key considerations to help you succeed in your new role
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The first 90 days in your new job are critical for your success. Having a solid plan of action in place right from the start is imperative. This is particularly true for Finance Directors who seem to be under increasing pressure to quantify their impact and show exactly how they are going to make their mark on the business and its future.

Your first 90 days as Finance Director will set the tone of your tenure. While there is no magical formula, by following our 90-day plan, you can set yourself up for success.

1. Why Are the First 90 Days So Hard?

The role of Finance Director is strategic by nature and research confirms this, showing that many Finance Directors are spending most of their time on the strategic aspects of their job.

But exactly what type of contribution does a Finance Director make to strategy?

Today, the Finance Director is perfectly placed to play a central role in the formulation of strategy and management of the operations of the business. As leader of the finance department, you need to have a perspective on the entire company’s performance, and a deep understanding of how and where value is created and where poor performance erodes value and creates risk. To develop this perspective and understanding, you need to ensure that you are very well informed about the company’s operations. This positions you best to help formulate a corporate strategy and enhance value.

So there is a great deal expected of a Finance Director. Ask CEO what they expect from their new Finance Director and you’ll probably be presented with a long list, including: financial smarts, risk management, accountability, flexibility, reliability, commercial acumen, financial vision & discipline, adaptability and good communication along with interpersonal skills.

You will also be expected to ‘hit the ground running’. CEO’s and their executive teams expect their Finance Directors to contribute at the highest level from the moment they join the team. The boss expects the new FD to maintain the finance department’s usual output, while providing a clear vision for improving the company’s financial performance, developing a talent-management programme, and communicating a financial plan to the board and shareholders.

Finance Directors tend to learn early on in their new position that every role comes with its own hazards. The first 90 days are tough – so much is expected of you, and any misstep may lead you into one of the many pitfalls that await. With this guide, you will be ready to deliver on expectations and avoid the hidden hazards.
2. **Common Pitfalls Awaiting New Finance Directors and How to Avoid Them**

Being appointed to a senior position, perhaps in a new company, is a wonderful achievement, but it can end in disaster if you are not properly prepared.

Here are five common mistakes new Finance Directors make and how to avoid them:

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**Pitfall #1: Poor communication**

Poor communication can manifest in several ways. For instance, a newly appointed Finance Director may not provide clear direction to team members on what is expected of them, their roles, tasks and objectives, and the timeframe for achieving them. Failure to communicate effectively can result in low individual and team performance and individuals working with their own private agendas. It is essential for a new Finance Director to very quickly understand the business, understand the current team, instil confidence in the team and ensure every member of the team is given new direction and guidance.

**Avoid by:**

- Meeting early on in your appointment with each member of your finance team, first individually and then as a group. It’s the perfect opportunity to identify those who may be resistant to change and also those who like to go above and beyond.
- Be clear in explaining what you expect from each individual, then share your overall vision with the team. Let them realise you want to build a team, not a group of individuals.
- Encourage each member of the team to open up to you regarding what they believe is not working well or is a source of conflict, unhappiness or poor performance in the organisation. Secure their openness and confidence with you as soon as possible.

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**Pitfall #2: Not being prepared**

Very often, there will be a gap between your acquired skills and experience, and what is required in your new role. Not taking timely action to bridge the gap could slow you down, and result in costly errors.

**Avoid by:**

- Understanding that leaders who prepare well, continually review their performance, are open to feedback and who take action when required, are far more likely to manage teams where skills are retained and talent is nurtured.
• Make every effort to fully understand the activities, priorities and challenges of the organisation you are joining. Read all available material in the form of Annual Financial Statements and Reports, articles, websites, brochures and ensure you get some understanding of the industry in which the organisation is involved.

Pitfall #3: Setting unrealistic deadlines

Misunderstanding the magnitude of a task, assignment or project may lead to you allocating insufficient timescales for completion.

Avoid by:

• When managing a new team, find out about the key challenges they have faced over the past six months.

• Taking time to properly understand the magnitude of each task, assignment or project. With appropriate scoping, realistic time frames for completion can now be allocated.

• Ensure that you obtain comprehensive team input on the viability of targets and time lines and secure their commitment before going firm on setting targets and time lines.

Pitfall #4: Poor time management

Although we can assume you are an experienced finance manager, we need to ask whether you have mastered the art of effective time management in your career to date. If you haven’t, your promotion to Finance Director will simply worsen the problem. Poor management of your time in the new job will result in many balls being dropped as you attempt to maintain control of a myriad tasks and objectives at the same time.

Avoid by:

• Having first clarified the deliverables (i.e. what the CEO holds you accountable for) of the finance department, allocating the constituent roles and responsibilities to your staff.

• Empowering your staff to do their jobs.

• Keeping ownership of the strategic aspects of the job.

• Being prepared to say no to requests you could not complete in the required timeframe.

• Be sure to highlight credit for success to the correct team member(s).

• Be sure to monitor and manage all you have delegated and guide and build each team member when they are failing to achieve the outcomes. Don’t take over and do it for them.
Motivated by the desire to demonstrate their newly-acquired authority, some new Finance Directors become autocratic to show strength and secure control and with this often invest time trying to outperform their predecessors. However, taking an aggressive or autocratic approach to management has been demonstrated to reduce subordinate performance, and to lower morale in the department and tends to create a mood of resistance to your authority.

Strong interpersonal skills are about listening and influence. Being unable to use these appropriately can result in resistance and conflict instead of increased performance.

Avoid by:

• Showing staff that you care about them as people, and want to see them succeed

• Empowering staff by providing them with the means to do the job, and ensuring that they have the ability to do it.

• Show forward leadership and focus forward to success and not backward to failures of your predecessor.

• Holding your empowered staff accountable for delivering the expected results

• Managing individual performance appropriately: recognising and rewarding, or admonishing and disciplining, as required

• Leading by example: Getting into the trenches and not building an “Ivory Tower”

Pitfall #6: New Broom Syndrome

Often newly appointed Financial Directors will rush into a new role and attempt to change existing systems, policies and procedures. This at times done just for the sake of change or to establish their own identity in the Finance department.

Avoid by:

• First establish the strength and weaknesses, effectiveness and adequacy of the existing systems giving regard to the business of the organisation.

• Discussing proposed changes with the CEO and finance team to establish their relativity to the business of the organisation.

• Introduce changes “piecemeal” and not in a “blanket approach”
3. Finance Directors: **Myths and Facts**

About the “First 90 Days”

Unfortunately, the “First 90 Days” strategy for Finance Directors has fallen victim to several myths that can make it difficult for leaders to lead. Take heed of these myths while preparing to enter your new role.

**Myth 1** – *New Finance Directors need to look outward and move quickly to sort out shortcomings.*

**Fact** – New Finance Directors benefit from introspection as much as they do from inspection. They should reflect on their leadership style so that they can effectively adapt and harmonise it with the company culture (changing the culture, if it needs to change, will take time).

**Myth 2** – *New Finance Directors should make an impact as early on as possible, notching up a couple of “quick wins.”*

**Fact** – New Finance Directors need to find out what makes the company tick and work within this reality to achieve the necessary goals.

**Myth 3** – *New Finance Directors should establish an executive by recruiting the top-performing individuals.*

**Fact** – “Team” can be more important than “individual.” Look for team players instead of individual superstars when establishing your inner circle.

**Myth 4** – *New Finance Directors should promptly define and communicate performance metrics.*

**Fact** – Before defining any evaluation criteria or defining standards for others, you should first establish and communicate how you yourself will be evaluated.

**Myth 5** – *New Finance Directors have to be the smartest person in the room.*

**Fact** – Omniscience is simply unobtainable and cannot guarantee strong leadership. Smartness is, of course, helpful, but so is inquisitiveness and humility.
4. Breaking It Down – The First 90 Days as Finance Director

Day 1

Day one does not start the day you start in the new job. Day one starts when you have accepted the position. Arrive with hypotheses, ideas and any other actions you may plan to put into place. But, remember to be open-minded and listen carefully so that you are ready to tweak, change and adapt your thinking from your early conversations.

As the new Finance Director, you need to understand the numbers before you even walk in. You should have already reviewed the past 5 years’ Financial Statements. Review the current forecasts and budgets and the business plan, too. Don’t wait to get to your desk to learn this information, there’s going to be too much to do once you get there.

One of the most common mistakes new executives make is not taking time to understand the company culture. It is important to put in the effort to learn ‘how things work around here’ by:

- Understanding your boss’s expectations of you.
- Forming professional relationships with colleagues.
- Understanding the overall company culture and sub-cultures.
- Connecting with all the important stakeholders.
- Using this time to listen, connect and absorb information.
**Day 0 – 30**

As the new Finance Director, you need to begin building your relationship with the important stakeholders and those you will report to directly about critical issues that require attention, how to operate in the business and staff capabilities. Start by immersing yourself in the key activities of the company and then reflect on your learning from there.

Another key step is to be very clear about what is expected of you, from top management and also from all operational areas of the business, such as marketing, sales, manufacturing, logistics, IT, HR. Plan to meet those expectations. It is important to plan for meeting with all department heads. Learn about the actual financial standing of the company and exactly how realistic the business plan is.

During this time, you can fully assess the company and start adding your strengths to the equation by:

- Starting to build your own personal brand within the business.
- Brainstorming ways in which your personal touch will help achieve company growth.
- Starting to level out the playing fields and start contributing to conversations.
- Being an open communicator.
- Becoming more versatile by taking on tasks outside of your skillset or responsibilities.
- Continuing to be mindful of your CEO’s expectations of you.

**Day 30 – 90**

During this time period, keep networking with the key leaders around the company and define your first set of priorities that you will want your team to deal with. Build an initial plan to socialise with stakeholders, preferably by the end of the 90 days, and discuss with them what projects to carry on with, those that can go and which ones should be started. If you are uncertain about the capabilities of certain staff, try developing or assigning particular assignments that will help to clarify their capabilities.

Dig right into that balance sheet in order to learn as much as you can about what the business has done in the past and how those transactions have previously been accounted for. It may also reveal the odd skeleton in the cupboard and even a couple of easy financial wins based on your prior experience. Set up meetings with professional assessors, auditors, legal advisors, bankers and other key lenders. Also, learn who your key customers and vendors are.

This is your transformation stage. By now you should have a firm grasp on your new role. Your confidence may have grown since Day 1 and your leadership qualities are ready to be put into action. By now you should be considering:
• Do your homework – take some time to learn everything you possibly can about your new company, its services and products as well as the business strategies. Note down any key questions that you want answering and that will help you understand your new role as Finance Director.

• Start with a clean sheet – what are your attitudes, behaviours and skills? Conduct an in-depth personal inventory and determine what has worked successfully for you and what hasn’t, and why. Then, develop a strategy that will maximise your strengths and minimise your weaknesses. Integrity and honesty will come with time and as you work towards building your reputation. Once you’ve built that reputation, live up to it at all times.

• Orientate yourself – work quickly to set up meetings with key people who you are going to be interacting with in your new role. Remember their names. Find out which department you will have to work with. Look for resources you may need or could draw upon.

• Send the right message – be sure to manage your personal brand car fully, from the way you dress to how and with whom you decide to socialise.

• Remain grounded – businesses, no matter what they do, exist to deal with and serve customers. During your first 90 days, find out everything possible about the company’s customer base. What draws customers to the company? Why do they stay? Why do others leave? Base your decisions on that the customers want, even though you are the Finance Director and not the Chief Marketing Officer.

5. Beyond Your **First 90 Days as Finance Director**

If you want to start building relationships and climbing the ladder to success, start delivering a new organisational model and, if needed, recruit staff to supplement your team. Try to garner significant progress on at least one major initiative. Work towards aligning the right resources to successfully operationalise the works and establish a communications strategy that will reinforce the culture that you desire within the business. Remember to effectively communicate your staff’s priorities and accomplishments to the stakeholders.
• **Get cultured** – get to know and understand all those unwritten rules to help you be more effective.

• **Listen actively** – look for ways that will help you fit in, build a sense of camaraderie and quickly become part of the team. You don’t need to go it alone.

• **Keep perspective** – remember, the newness will fade. Try to keep your cultural antenna raised. While some imperfections may seem insignificant, they could provide evidence of deeper corporate issues you may need to deal with down the road.

• **Goals** – the more you discuss corporate objectives and goals, the clearer they will become in your mind and the sooner you can start living them.

• **Patience** – your new company did not hire you to completely shake things up. They want you on board, working in the same direction. Don’t head off in your own speedboat, making waves throughout the company. Bide your time, be patient during your first 90 days and the opportunities to make changes for the better will come.

• **Achievable targets** – listen carefully to what’s going on and then set your sights on smaller, more achievable victories.

• **Share credit** – remember to include other people and involve them right from the get-go. You’ll find they will be eager to help you steer through any corporate political minefields and polish your ideas, making for a better contribution. When it works out, give them the credit they deserve. If something doesn’t work, be prepared to shoulder the responsibility and lead by example.

• **Get stuck in** – showing willingness to do some of the more mundane tasks every now and again will enhance your position and provide a greater understanding of what it takes to get the job done properly.

• **Keep balance** – don’t forget you have other priorities – your health, your family, friends and hobbies. If the facets of your life aren’t in alignment, there is just no way you will be able to find fulfilment in your role as Finance Director and you won’t be able to function effectively.

### 6. Conclusion

Your peers in the leadership team already recognise that it takes time to establish yourself and come up with plans that will deliver results. Use your first 90 days wisely and you will quickly demonstrate just why you were hired.

Don’t forget to be realistic. You are new to the role, there are going to be tensions, but with this guide, you can quickly resolve those tensions and get on with your new position.
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