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THE COMPLETE GUIDE TO
HIRING A CFO

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TABLE OF CONTENTS

INTRODUCTION

04

IDENTIFYING THE CFO PROFILE

05

Creating a Search Committee

05

Engaging the Board

06

Hire Internal vs External

07

The CFO Role

08

Measuring the value of a CFO

08

Working with audit teams

09

IMPORTANT CFO ROLES & TRAITS

10

CFO COMPENSATION

13

OUTSOURCING EXEC SEARCH

14

INTERVIEWING BEST PRACTICES

15

Video Interview Tips

17

Conduct Socially Distant Interviews

19

REFERENCE CHECKS

21

Offer Letters

22

POST-PLACEMENT SUPPORT

23

Evaluation Criteria

23

Transitioning your new CFO

24

Onboarding Remote Execs

25

Post-Placement Strategies

27

A woman with long dark hair, wearing a blue and white striped button-down shirt, is seated at a wooden desk. She is looking down at a laptop, with her right hand resting on the keyboard. In her left hand, she holds a yellow pencil. The desk is cluttered with various items, including a laptop, a glass of water, and several colorful sticky notes (pink, yellow, blue) attached to a surface. The background is slightly blurred, showing a white wall and some office equipment. A semi-transparent dark grey rectangular box is overlaid on the image, containing white text.

Selecting the
right CFO is an
important step
in building a
strong financial
foundation to
support growth
and prosperity for
your business.

INTRODUCTION

When it comes to CFO searches, there is certainly a need for additional, detailed attention to be paid during the hiring process. CFOs play a critical role in strategic growth as well as navigating organizations through uncertain and difficult times like COVID-19.

EXECUTIVES

When people think of the word “executive”, most associate it with the highest ranking employees in a company and typically, they are not incorrect. One of the most common executives that people are familiar with is the role of a Chief Financial Officer (CFO). CFO’s primary responsibility is to manage the company’s finances, including financial planning, management of financial risks, and financial reporting. The CFO must track cash flow as well as analyze the company’s financial strengths and weaknesses and proposing corrective actions.

LEADERSHIP TEAM

Corporate structures can vary but in many circumstances you will see positions that are employed to support the CEO including the Chief Financial Officer.

It is crucial to have the right leadership team in place that share a common passion and are dedicated to ensuring the collective success of the company to cultivate a sustainable business.

The decisions that the CFO makes can have a drastic impact on the growth and profitability of a company.

This guide has been created to walk you through the considerations and recommendations for both topics of discussion and processes to follow in order to **successfully hire and ensure the peak performance of your next CFO.**

WHY A NEW CFO?

Common reasons for a CFO replacement search may include but are not limited to:

- The current CFO is exiting the company
- The current CFO is more focused on reporting rather than driving the business forward
- Your current CFO is not adapting to new technologies and changes in the economy
- You are moving into new markets and need a more experienced CFO who understands them

Common reasons for a CFO search may include, but are not limited to:

- The company has reached a tipping point where the size and complexity makes it difficult to organize finance and track performance across multiple operations.
- A streamlined hierarchy with clear leadership is missing in the finance/accounting function
- There is not enough focus being put on forward-planning and financial strategy
- The company is preparing to raise funds or going public
- Due to the pandemic there has become an immediate need for a strategic finance leader to navigate the business’ new realities.

IDENTIFYING THE CFO PROFILE

WHAT EXACTLY DO YOU NEED WITHIN YOUR ORGANIZATION?

This is a question that is a fundamental first step in order to identify the right profile of the individual you are looking to hire.

It is also crucial to come up with a concise plan regarding how this pertinent decision will be made. Decide who will be a part of the process before a realistic, detailed and agreed upon candidate profile is created.

Having a clear comprehension that “no candidate is perfect” is essential, and that any of their weaknesses are not in critical areas that will hinder their success in your company.

THE SEARCH COMMITTEE

Decide who will be involved in the decision.

Determining a search committee, to debate and discuss the candidate profile will ensure alignment with the need of the organization. It is crucial to decide who will be the key decision makers involved in the hiring process.



Throughout the entire duration of the search, transparent and in-depth communication is instrumental in order to find the right talent. Depending on what route you are taking to employ a new CFO, a mediator and/or an executive recruitment professional is recommended to assist in this strategic decision with the committee.

SAMPLE QUESTIONS TO ASK AMONGST THE SEARCH COMMITTEE

- Do we have a clear, defined succession plan?
- Are there any business critical resources that would be negatively impacted by a change of CFO, if there is one already appointed?
- Are there any members on the team that are genuine contenders for the opportunity?
- Who will be responsible for making a final decision when there is disagreement amongst the selection committee?



5.7

number of years of the average CFO tenure.

Source: SpencerStuart (2016)

TIPS TO ENGAGE THE BOARD (SELECTION COMMITTEE)

- Allow the committee to have a voice so that they feel truly engaged in the selection process
- Construct a road map with them - create a clear understanding of what they want to accomplish and what a successful outcome looks like
- Involve them in any stakeholder consultations
- Have a conversation with each of the members to understand their roles and responsibilities
- Set timelines for all parties and the time investment required at each stage (i.e. attending interviews)
- Set clear expectations and accountabilities
- Appoint a decision maker - Identify the member who will be the primary communicator

KEY STAKEHOLDER CONSULTATION

Key questions to ask to find common ground among search committee members:

- What are the key personal attributes required for the position in terms of both the role and the organization?
- What is on the list of core competencies required to succeed in the role?
 - What education is mandatory? What would be considered an asset?
 - What career history is essential for the CFO required to lead the company's finances?
 - What industry and size of companies should the candidate have exposure to?
 - Within this, what are the experience parameters?



69%

of Fortune 500 CFOs are internal successors

Source: SpencerStuart (2016)

DO YOU HIRE AN INTERNAL OR EXTERNAL CANDIDATE?

Now that a selection committee has been established, important discussions must be had about where resources such as time and money will be allocated for the upcoming recruitment process. The best contender may already be working within your company or it could be a candidate from an external source.

Due to the prevalence of recruitment companies, in addition to in-house HR departments, there can be an overwhelming number of options to choose from regarding how to find your next executive hire. There are several questions that need answering in order to set you up for a successful search process, resulting in a CFO that will flourish in their role at your company.

It is essential that the board commits to the obligation for a full and fair search process for an objective hire due to the CFO's critical position in your business.

HIRING INTERNALLY

Internal candidates should always be compared to external candidates, knowing that employees who already work for your company have an advantage of pre-existing knowledge of systems, processes and the people.

It is typically a shorter process to go through, as candidates are already viewed as a "fit" for the company.

Interviews should still take place to ensure that the position itself is both suitable for the individual and that they are qualified for the role. There is also a substantial amount of trust already established because they are a current employee.

Internal human resources professionals may also favour employees that are already working for your company, which is something to consider if you utilize this option.

If an internal candidate is unsuccessful in the interview process for the role, you can develop a clear coaching and development plan to support their growth to ensure that they could be considered again in the future if the opportunity arises.

HIRING EXTERNALLY

External candidates come with fresh perspectives and new ideas, along with an unbiased view of the business, which typically allows for greater innovation. A diverse and large talent pool can provide the selection committee with a wide range of options to consider.

Hiring externally can lead to negative internal perception. A loss of team momentum may occur as this process typically takes longer and productivity may be lost. More time will be required for interviewing to ensure that the candidate is a fit for the organization. If your business has gaps you will need to hire externally. This could have cost implications and attritional costs because of people leaving due to the influence of management.

It is crucial to carefully review the candidates that external recruitment consultants present to your search committee to ensure that they don't simply provide insight that only favours the candidates that they source.

A recommended initial step is to complete a checklist of topics to consider while in the research phase of the process. This will help you decide what recruiting resource will be the most effective in achieving your desired result.

THE CFO ROLE (written by Candace Enman, CPA, CA, President of Welch Capital Partners)

The CFO holds a key leadership role in an organization, one that often requires wearing a number of strategic and operational hats. Ultimately they are the trusted business advisor to the CEO and the Board of Directors, providing them an objective view of the financial performance of the business, while holistically assessing the company's risks and opportunities.

Today the CFO role is not solely about keeping score or providing operational management (i.e. cost containment, controls, quality of data, defined processes, etc.) it is about "operational agility" and the CFO's ability to collaborate, focus on growth, embrace a culture of adaptive learning and to effectively deliver analytics that are both meaningful and a change agent for the company.

While it is critical that CFOs understand the past, present and future financial outlook of the company, it is paramount that they are able to:

- Strategize and execute the organization's vision/mission
- Accelerate their organization's ability to take new products to market, drive growth and profitability and maintain integrity/compliance across the business
- Build a framework to quickly assess new business opportunities and continually analyze the current corporate structure and infrastructure to mitigate risks (audit, reporting, tax planning, working capital management)
- Lead the company on understanding and measuring both the financial and the intangible drivers of value of the business by delivering forward looking business metrics
- Foster key business relationships (boards, external advisors, investors, etc.) to ensure stakeholders understand business and operational objectives in order to make well-informed decisions
- Help manage a company, its employees and stakeholders through a period of distress, should industry factors change causing a decrease in profitability and liquidity



66%

of CEOs want their CFO to spend more time driving growth, strategy, budgets, capital allocation and ensuring short-term demands are balanced with longer-term success

Source: Agarwal (Jan 11, 2016)

MEASURING THE VALUE OF A CFO (written by Candace Enman, CPA, CA, President of Welch Capital Partners)

The value of a CFO is his/her ability to help shape the direction of the business and predict the future. The CFO value is measurable by:

- Influence to drive business outcomes in the long-term (strategy, unleashing the potential of big data/analytic skills, data visualization, business acumen, influencing skills)
- Driving greater efficiencies through automation (simplify, standardize/automate, etc.)
- Driving value creation for the business (growth, profitability, cash flow, leverage)
- Providing direction and leadership throughout the company
- Communicating effectively to gain "buy-in" from all stakeholders as to the direction of the company, ensuring both synergistic operational and strategic efficiencies and effectiveness across the organization



WORKING WITH AUDIT TEAMS AND ACCOUNTANTS

(written by Peter Berry, CPA, CA, Partner at Welch LLP)

The CFO is responsible for relationships with many of the financial suppliers/advisors to the entity. The relationship with the external accountants/external auditors is one of these important relationships. The CFO's leadership and communication in this relationship is key to making the relationship productive as well as harnessing the potential benefits from a positive, collaborative partnership.

Successful approaches for the CFO in this relationship include:

- Developing a strategic partnership with the external accountants/auditors – find the best fit for the organization based on knowledge base and direction of the organization, find key advisors that you can trust and can work with.
- Working together in a collaborative approach – the CFO is the internal partner to the relationship with the external advisor. The external advisor can only be as good as the information they receive from the organization. Be open and transparent with the external advisors so they can collaborate and offer value in a way that lets the organization get as much out of the relationship as possible.
- Communicating the value and importance of the external audit function to internal team members – this way the full team understands roles and value and can work together for a successful outcome.
- Being forward thinking – plan ahead and consult external advisors (eg. In areas where new accounting standards may change financial reporting, where transactions will impact scope of the audit or where transactions will have a significant tax impact).

HOW CFOS CAN HINDER THE ORGANIZATION

(written by Peter Berry, CPA, CA, Partner at Welch LLP)

If the CFO does not take responsibility for developing successful relationships with external advisors they are not doing their duty to the company and are not tapping into the collective brainpower that the external advisors can provide.

Some ways that CFOs hinder the organization include:

- Developing an adversarial relationship with the external audit team (either themselves or by not communicating value of the relationship with the internal finance team);
- Not consulting external experts – External advisors have collective experience and knowledge that can help on many directions of the organization. By taking a “go-it-alone” mentality, the CFO is not doing the duty to the company;
- Having a reactive approach to working with auditors or external advisors – last minute approach is never optimal. • Consulting advisors early for advice can save the organization in terms of delays in workflow, unnecessary taxes and extra “rush” fees.

MOST IMPORTANT CFO ROLES & TRAITS

Tips from industry leading CFOs



Matt Hoar
CFO, Flow Water

What is the most important role of a CFO?

A good CFO brings a risk focused viewpoint to the leadership team and understands the layers of risks that are inherent in every important deal. From a decision making perspective, the most high impact CFO's help the leadership team strike a balance between risk and reward, which will hopefully lead to timely and optimal decision making.

What is the most important trait of a CFO?

As a cross-functional leader, the CFO must have enhanced listening skills. Being able to fully understand senior managements' perspective allows the CFO to assess situational risk and to participate meaningfully in a balanced decision making process.



Susan Richards
CFO, NumberCrunch

What is the most important role of a CFO?

The CFO is the co-pilot to the CEO and is charged with bringing a financial perspective to all leadership team discussions. A strong CFO will apply control and efficiency to growth initiatives and will be able to question without judgement and collaborate well with other members of the leadership team.

What is the most important trait of a CFO?

Logic - is logic a trait? Confidence. Pair those with a collaborative intention (with an ego that is in check) and I think you have a strong performer that the leadership team can work cohesively with.



Gord Wyse
CFO, Klipfolio

What is the most important role of a CFO?

The most important role a CFO can play on the leadership team is Business Advisor. The CFO is uniquely positioned to see across the whole company, understand the key business drivers and how they impact the company's financial performance. Transferring that knowledge and providing a framework for the rest of the leadership team to see how their decisions impact the whole business financially is crucial for their success.

What is the most important trait of a CFO?

Toss up between strategic thinker, decision maker, problem solver or having tough skin depending on the makeup of the rest of the team. Which leads me to believe being adaptable and knowing when to use which arrow in your quiver may be the most important trait for a CFO to have.



Steve Spooner
CFO, Mitel

What is the most important role of a CFO?

A great CFO needs to be the trusted business partner to the CEO. As the only other executive who has visibility into all aspects of the business, he/she can be an effective sounding board - the financial strategist, who drives the business instead of just reporting it. The CFO needs to ask the tough questions, such as: (i) Is our strategy the best route to create shareholder value? (ii) Vision without execution is just a dream, so have we got the talent, tools, financial resources and clear accountability to successfully implement our plans? (iii) You can't manage what you don't measure, so do we have the right key metrics in place to act as the early warning mechanism as we execute?

What is the most important trait of a CFO?

Unquestionable integrity. The CFO deals with the board, the executive team, the staff, customers, partners, vendors, lenders, analysts and investors. If at any time, any of these constituents doubt the integrity of the CFO, it can have far reaching implications for the CFO, and for the company. Tone from the top, as set by the CFO, must leave no doubt as to the values the CFO represents.



Wynand Stassen
CFO, Embotix

What is the most important role of a CFO?

The CFO's role is frequently described in the context of explicit responsibility for financial stewardship and operations. However, the value that a CFO brings to the leadership team must extend beyond delivering timely, accurate, and relevant reports of historical performance and the preservation of assets. Firstly, it should include strategic navigation, which involves meaningful analysis of data, critical assessment of the likely results of a given action or inaction, and applying sound judgement in order to set the future direction of the company. Secondly, it should include risk management, which involves the identification of the various risks the business faces (or is likely to face), and to manage these risks by taking actions to either minimize, avoid, transfer, or accept them. Lastly, the CFO should serve as a catalyst to drive the tactical behaviours necessary to accomplish the strategic goals of the company.

What is the most important trait of a CFO?

The most important traits for a CFO to have include: Judgement, flexibility, and perspective.

Important leadership decisions require judgement because we frequently find ourselves in situations where we have limited information and there are no right or wrong answers. It is critical for a CFO to possess good judgement so that the leadership team and stakeholders can have confidence in his or her decisions, especially on important matters.

Secondly, flexibility is an important trait for a CFO to have, as we often find ourselves in changing situations where we are required to balance competing demands, change perspectives, and adjust physical and mental resources. Having the flexibility to respond in sufficient time and magnitude will significantly influence success or failure.

Lastly, it is essential for a CFO to have perspective. The ability to put ourselves in other people's shoes, understand their beliefs, views, and intentions, and see their point of view underpins our ability to build the types of relationships required to operate successfully at the executive level.



Kelly Evans
CFO, Magenta Capital

What is the most important role of a CFO?

The CFO plays various roles on the leadership team. The roles of financial steward, protecting the company assets, and running the financial function are the two areas that we think of first. Equally important is the role of understanding the business and providing strategic guidance as part of the leadership team. The CFO can also assume the role on the team to drive and challenge projects, processes and ideas to ensure their ultimate viability and success. An effective CFO is solution-oriented which allows them the ability to collaborate effectively with all members of the Leadership Team.

What is the most important trait of a CFO?

Perspective. A CFO needs to be able to see opportunities and issues from more than one angle. This allows them to proactively assess potential roadblocks and solutions both short term and in the future.



Cory Michalyshyn
CFO, Solink

What is the most important role of a CFO?

I think because of the CFO's background, generally coming from accounting/finance with an ingrained comfort with numbers, the ideal CFO role is that of the corporate metric czar. The CFO is the person responsible for calculating metrics consistently over time, maintaining their accuracy at every calculation, understanding what variations in those metrics means for the underlying business units, and articulating that meaning to the various users of that information; CEO, VPs, the Board of Directors, Customers, and Shareholders, while that information is still timely and relevant to use to make decisions.

What is the most important trait of a CFO?

An ability to understand the big picture and how the various pieces of the business fit together and affect one another, and an ability to drill down into any one of those pieces and understand what story or trend those details are showing you. Those are the two sides to the CFO coin.



Tatiana Pranova
CFO, RealDecoy

What is the most important role of a CFO?

In today's world, a CFO must be very fluid and agile. They should be a more strategic partner than just being the head of Finance. It is very important to be a versatile leader. Developing and supporting high performance and great culture is critical today for any leadership team. CEOs and business owners are starting to see the importance of business vision and education in their CFOs.

What is the most important trait of a CFO?

The ability to lead and to think big picture. The leadership traits (manage people, communicate, mentor, influence skills) are what separates a CFO from the other intelligent CPAs, as is the ability to think of the big picture (long term planning, being agile, navigating risk), making your business more resilient. It's crucial to understand business drivers and underline non-financial information that drive the financials of the company.

CFO COMPENSATION

SOURCE: Payscale - Canada Aug 2020

\$134,164

average Chief Financial Officer salary
in Canada

\$24,076

average bonus

\$19,305

average profit sharing

\$2,250

average commissions

\$137,455

average CFO salary in
Ottawa, ON

\$145,370

average CFO salary in
Montreal, QC

\$170,995

average CFO salary in
Toronto, ON

As corporate culture shifts, the need for agile CFOs is at an all-time high as more companies embrace a technology-driven future.

OUTSOURCING YOUR EXECUTIVE SEARCH

RECOMMENDED POINTS OF DISCUSSION FOR STAKEHOLDERS WHEN OUTSOURCING YOUR EXECUTIVE SEARCH:

- Do we feel that the level of experience at the organization and the team itself seem credible?
- Do we trust them and feel as though they are a good fit to do business with?
- Do they leverage modern search techniques and technology such as artificial intelligence or do they rely on advertising and a database?
- How strong is their guarantee? Is it based upon the success of the candidate in their new role?
- Do they provide an onboarding plan that is compatible with our organization?
- Is the cost in line with what makes sense as an investment? Will there be any additional costs - and at whose expense?
- Do they have experience with similar projects?
- Can they build predictive psychological profiles of candidates to compare prospects?
- Ultimately, do they “do it differently and more effectively” than other companies? Do we feel confident that they will solve our particular problem?

MOST COMMON REASONS BUSINESSES USE EXECUTIVE SEARCH & RECRUITMENT FIRMS:

- Access a wider range of talent, including candidates with specialized or scarcely found skills
- Mitigate the risk of business critical hires at the C-Suite level
- Find potential candidates that are not actively looking for a new role
- Confidentially replace current underperforming executives while they are still in their roles
- Undertake an unbiased search to find the most qualified candidate
- Look to hire candidates from competitors or target companies that you have a good relationship with
- Current successors are not qualified for an executive role
- Lack of time or resources in-house
- Focus on hiring long-term executives who will perform in your environment
- Not having any success internally to find the right candidate
- Gauge employee fit before hiring
- Fill positions quickly
- Adjust workforce to meet rapidly changing business needs (special projects, seasonal, long-term or unanticipated absence needs)

INTERVIEWING: BEST PRACTICES



Executive level employees, CFOs in particular, are different from other employees in terms of the depth of influence that they have within an organization.



Additional measures need to be taken to ensure there are handcrafted interview questions created to dive deep into the psychological disposition of CFO candidates.

Preparing for an interview, whether it is in-person or virtual, is no different. Both require rigorous attention to detail in regards to the format and customized questions being asked.

Break the interview down into focused categories. This will keep you on track and ensure you ask the right questions that provide you with thorough insight and an understanding as to whether or not the candidate will be a good fit for the role within your company.

Tip: Structure the interview and subsequent questions into categories such as strategic planning, culture, communication and track record. This structure should always be modified for every role to mirror the objective of the hire. For instance, if the CFO is being hired with the intention of raising capital, a strong focus of questions within the strategic category should focus on preparing financials, strategies and past successes to raise funds.

STRATEGY

- Can you tell me about a time you helped increase efficiency/cut costs effectively?
- Please describe your experience with strategy development.
- What do you know already about our company's financial success, initiatives, and business strategy/goals?
- What are two metrics a CFO should always monitor?

COMMUNICATION/ LEADERSHIP

- Describe your approaches with employees, board members and external investors - These can be broken down into separate questions.
- How would someone else describe you and your approach to managing?
- What is your leadership style? What would others say about it?
- Are you able to simplify and explain complex financial information?

CORPORATE CULTURE

- What was the culture of the company you were just working at and how did you fit in the equation?
- Tell me about a time when you faced conflict with stakeholders. How did you resolve it?
- What did your last leadership 360 uncover about your approach to company culture?
- Describe both positive and negative experiences you have had that could be attributed to company culture.

TRACK RECORD

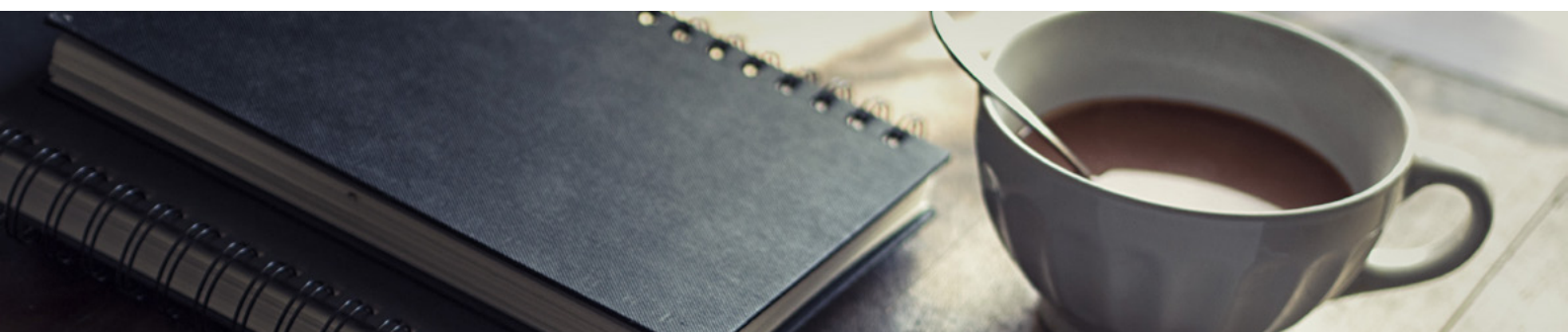
- What are your past successes?
- Where have you fallen short and what did you learn?
- What do you see as the strengths, weaknesses, opportunities and threat for both the industry and the company?
- What do you think was key to your current/previous company's success?

58% of people feel they trust a stranger more than their boss at work.

Source: Harvard Business Review

To help you assess the cultural fit for the CFO and whether you believe they will be successful in the company's environment, here are some examples of questions to ask:

- What was the most satisfying moment in your life?
- What type of work environment or culture are you the most productive in?
- What are the main characteristics exhibited by the best boss you have ever had? How did these characteristics contribute to your success in the workplace?
- What are the most effective roles that a good leader plays in their relationship with reporting staff members?
- What is the most important factor that must be present in your work environment for you to succeed and enjoy your position?
- What drives you the most in your professional career?



VIDEO INTERVIEWING TIPS



Many employers have implemented remote work policies and asking employees to work from home with the ongoing pandemic. Hiring managers and recruitment professionals need to be able to adapt and move towards a digital hiring process and experience. Video interviews are being adapted by a number of organizations already and we will likely continue to see a rise in the use of video interviews as opposed to in-person interviews, especially during the screening phases of the hiring process.

At the core, video interviews should be the same as in-person interviews however they bring forth a number of differences in how the interview is delivered. Have you ever been on FaceTime with one of your parents where they can't quite get the angle right? You know the look when they have the camera too low and you can see straight up their nostrils and their chin is the most prominent part of their face.

Video interviews bring forth a lot of benefits: time efficiencies, cost savings related to travel, scheduling simplification; however there are a number of considerations to think of in order to conduct professional and successful video interviews on both the employer and employee side.

Here are some video interview tips and considerations to use as a guideline to maximize the effectiveness of your recruitment process.

Technology:

There are a number of technologies and softwares for interviewing candidates. Whichever one you choose, make sure the candidate experience is easy to use. Do they need to download an app to use it or is it simply a link to click? Which platforms have integrations with your current techstack? This could provide easier internal processes for screening and capturing the right data about candidates. Which features are a necessity - taking notes directly through the platform,

recording functionalities, etc. these are all considerations before choosing your video interview platform of choice.

Some platforms have the ability to pre-record a video introduction and questions for candidates, which they can then prepare for and record their responses and send back at their convenience. This tactic is usually utilized when there are numerous qualified candidates that need to be screened more efficiently and effectively.

Camera and positioning:

Make sure to position the camera so that you are centered and at eye-level so that the camera angle is flattering. It is essential that you do not cut off the top of your head but also do not sit too far away from the camera so that you become grainy or eye contact is hard to make. Frame yourself from the chest up so that your face is the focal point of the screen.

Location:

Whether you are in your office or remote make sure that you choose a well-lit and quiet room. Do not do video interviews from your favourite cafes or in your car. Background noises can become too loud and distracting on both ends of the video. Make sure you can avoid as many interruptions as possible. If you have a closed door room that is preferred and make sure your dog isn't coming in and out of the room. The background should be something simple and free of distractions and clutter.

Dress Code:

Make sure that you wear what you would wear if you were conducting an in-person interview. Since you will be on camera try to avoid anything too bright and anything with too many patterns. For both in-person and video interviews be sure to research the culture of the company to make sure that you dress appropriately. For whatever reason there is a chance you may have to stand up at some point so make sure that you are fully dressed and professional from head to toe.

Prepare:

There is nothing worse than having a poor video experience. Test your connection, camera and microphone beforehand to ensure that everything is working properly. Close down any unnecessary apps or softwares on your computer so that you can maximize its performance while interviewing and avoid delays in video delivery. Just like an in-person interview make sure that you put your phone on silent before the interview begins.

Body Language:

There are a number of elements to body language to consider. One of the most important is eye contact. When you are on video, you need to make sure that you are looking at the camera instead of the candidate when you are speaking. This way you will engage in eye contact with the candidate as opposed to having your eyes looking down on their end of the video feed. Make sure you don't look around the room while you are interviewing or it will give the impression that you are disengaged with the candidate.

Although you aren't in person, the candidates will be able to see your face the whole time, even though it feels as though you are in the room alone. Keep a smile or pleasant look on your face to create a positive experience for the candidates and to make them feel relaxed. It is still appropriate to smile and nod as you are listening.

Gestures are still appropriate to show that you are engaged with the candidate however keep in mind that some of your hand gestures will be out of frame.

Consistency:

Ensure that your process is consistent across all candidates - this applies to in-person interviews as well. Make sure that you are using the video interview at the same point in the process and ask the same questions to ensure you're able to evaluate candidates comparatively.

5 TIPS TO CONDUCT A SOCIALLY DISTANT INTERVIEW



We have put together a list of 5 tips to help employers navigate a socially distant in-person interview process.



1. Proper Communication

We recommend sharing your business' COVID-19 protocol with candidates in advance of interviews. You can access sector-specific provincial guidelines to help draft this document.

In order to maximize the effectiveness of your interviews, the candidates need to feel safe and comfortable in your environment. Ask for the candidate's feedback on your protocols and be open and accommodating to the requests a candidate may have in order to attend in-person.

2. Be Accommodating

A candidate's focus and comfort is of the utmost importance as there is a power imbalance. One of the most important parts of being an inclusive employer is providing accommodation and flexibility. For example, candidates with child-care or elder-care responsibilities may only be available to meet on a weekend. As the employer, it is in your best interest for candidates to be solely focused and not stressed out about other things in order for a productive and open conversation to be had.





3. Pre-plan Logistics

Smooth logistics are grounded in planning and preparedness; some simple steps include:

- Map out the boardroom prior to the interview
- Remove the need for multiple doors to be opened and closed prior to the interview
- Provide relevant personal protective equipment upon entry

Avoid using communal areas as much as possible - have the candidate wait in their car or outside of the office location and send a text message when the meeting room is ready. If you are hosting multiple interviews, allow for enough time between candidates to ensure thorough cleaning of surfaces. Fresh airflow is important, for confidentiality and privacy - if possible, ask existing employees to work from home on the interview day so that meeting room doors can remain open.

4. Streamline the Hiring Process

We recommend that in-person interviews constitute the very last stage of your hiring process. There are a number of screening and assessment tools that you can incorporate into your process to help get you to the final one or two candidates for the role. At Keynote Search, we incorporate assessment tools such as the Hogan assessment for executive-level searches. Another tool that may see a resurgence is the use of cover letters. Our Talent Associate, Christine Colverson, has written a short piece on the Comeback of the Cover Letter.



5. Cementing the Deal Without a Handshake

The handshake is dead, and elbow bumping may not be the best way to end an interview. The interview process is as much about information seeking as it is about determining genuineness, for both the candidate and the employer. A contact-free way of exhibiting genuineness is by making time to say: "thank you for your time and thank you for following our COVID-19 protocols" and send a follow-up thank you in an email as well. Once an offer is signed, the gesture of sending a small corporate gift to the successful candidate from a local business is a fantastic way of starting this new relationship.

Candidates will remember businesses that were adaptable, innovative, and responsible during this time. The tips above are not an alternative to the advice of public health, but rather an additional layer of thought and practicality when it comes to a socially distant interview. Please feel free to reach out to our team if you need assistance navigating the hiring process.

REFERENCE CHECKS



FOLLOWING THE INTERVIEWS

Reference checks have never been more important than in a world of virtual hiring and interviews. In a lot of instances companies are having to hire candidates without ever physically meeting them in person.

Companies are putting an increased importance on reference checks and have been moving from phone and email reference checks to video calls to increase their effectiveness. Getting a read on things like body language can provide a better understanding of the true responses during the reference.

Reference checks are useful to evaluate how the candidate will perform and what management styles are best suited to achieve maximum performance. They also protect employers from legal liabilities. There can be cases where a candidate is hired with a wrongful past. Candidates will never tell you that they were actually let go from a previous role for fraudulent activities.

REFERENCE CHECK CONSIDERATIONS

Is the referee in a position to provide the right type of insight?

In executive search especially, you may be doing reference checks on a former entrepreneur who didn't have a boss they reported to. Perhaps they've always been an entrepreneur and are finally making the switch to the corporate world. You might also come across scenarios where candidates cannot provide their current boss as a reference as they do not want them to know they have applied for another position. If that candidate has been in that role for a number of years, does their previous boss have enough current interaction to be able to speak to the candidate's current experience?

When conducting personal reference checks with trusted sources for the candidate, it is more effective to ask fewer sources that have worked closely with them and/or for a long period of time. This data will ultimately be more candid and useful for information verification in comparison to asking a larger pool of sources that, for example, only worked with the candidate for a short amount of time or are connected more-so on a personal level. Ultimately, it is essential to contact trusted sources that will provide transparent insight.

You may have to work with the candidate to work through who the best references might be to ensure you extract the right information.

Extracting the right information

If you are performing video references, read their body language, are they pausing or hesitating before answering a question? If so dig deeper to truly understand the right information.

After completing a reference check, you should be able to compile a couple pages of notes that help you understand how the candidate will perform under certain circumstances that may arise in your working environment. This information is vital to understand the best approach to manage the candidate to maximize their performance.

It is also important to provide the information to the hiring manager or the person that the new candidate will be reporting to. This information will be crucial to the success of their relationship and provide a deeper understanding of the candidate will be managed.

Asking the right questions

Ask questions that elicit conversation. Questions should not be a “yes” or “no” answer. Instead of asking “Did John have the skills to be able to perform his job?” ask “Can you provide examples of how John’s used his skills to excel in his role. If he wasn’t able to excel, can you explain where the gaps were?”

Complete your own independent research

Listen to what you hear from the candidate, the referee, and do your own independent research and verification to ensure proper due diligence of all of the information they have provided.

Some research methods to explore are as follows:

- An extensive Google search
- Websites of organizations where the executive was previously employed
- News articles that have information regarding their organization/company’s successes
- Social media platforms

Whether you are conducting reference checks by video, phone or email it is important to ensure you are able to extract the information you need through comprehensive questions that elicit conversations, as well as conducting your own research to ensure the quality and performance of your new employee.

OFFER LETTER

Now that you’ve completed reference checks on your final candidate, you are confident that they are the best fit for the position. The next step is to prepare a document package that includes an offer letter, alongside a non-compete agreement. This document package is much lengthier and detailed than common offer letters, and can often result in negotiations. Common areas for negotiations include: equity, signing bonus, relocation, vacation, travel allowances and severance.

Many organizations feel relieved once they receive a signed letter of offer and believe that the recruitment process is done; however this is not the case. To ensure a successful appointment of the executive, a collaborative transition approach needs to be utilized.

POST-PLACEMENT SUPPORT



50%

of leaders fail
within 2 years

Source: Harvard Business Review

EVALUATION CRITERIA

Referring back to the initial search criteria, it is imperative to not stray from those when evaluating your new hire. During the entire hiring process and beyond into the placement, it is crucial that you remember what you were seeking to find in your CFO hire. Ensure that you use the same benchmarks so there are no gaps, causing the hire to not have a clear understanding of what their goals and strategies should be for your company. This will enable your new CFO to maintain a rhythm of clear accountability.

Evaluation should not simply be broken down into numerical metrics, there should also be a humanized approach to compliment it, as some evaluation material will be based on performance aspects that are less easily quantifiable. This process should take a significant amount of time and if done correctly, will result in a higher probability of retention and organizational success.

Evaluation Considerations:

- Create a process to monitor progress
- Create a year-end assessment
- Identify performance rating criteria
- Create a process for data collection for qualitative dimensions
- Create procedures and development plan for performance issues

TRANSITIONING YOUR NEWLY APPOINTED CFO INTO YOUR COMPANY

Examples of common issues that arise with new CFOs within the first 18 months often include assuming that the team they will be leading will be able to take on new behaviours to align with the CFOs vision, their strategic agenda and necessary cultural changes are not successful, and they have trouble creating political relationships.

Both members of the board and fellow leadership executives must understand that the CFO, although highly capable and qualified, will not thrive without transitional support.

Organizational turmoil can exist within the company if you are hiring externally without proper planning. Carefully set up multi-dimensional expectations for the CFO that focus on personal, financial and corporate culture goals. Having a plan in place provides the CFO with the opportunity to understand what he/she is accountable for.

A CFO's transition into their role is much longer, often months. A process of frequent communication with board members and executive level employees should be a constant focus.

Employee onboarding, typically referred to as transitioning at the C-Suite level, is a crucial step in the placement process of your newly appointed CFO. The CFO should feel thoroughly prepared with an agenda, have access to the necessary resources and a clear understanding of the changes that need to be prioritized within the organization. Clearly defining the process with the board members along with the CFO will help assimilate the CFO into your company faster and more effectively. This will expedite their entrance into the position so that motivation is not derailed and they can begin to optimize their contribution.



7 TIPS TO ONBOARD REMOTE EXECS



There are a number of employers that have now moved to a remote workforce while the pandemic continues. There are also a number of companies that continue to recruit a remote workforce, including executives. These new employees still need to be onboarded properly and given the support and resources necessary to succeed in their new roles.

Providing an exceptional executive onboarding experience can help to reduce turnover, increase engagement, productivity and performance. Just because they aren't physically going to your office doesn't mean that onboarding is any less important.

1. Begin with a clear explanation of your onboarding process, information and expectations.

Never leave any gaps in communication and ensure that the hiring manager along with the new employee are both informed and have clear expectations about what the onboarding process will look like. Set a timeline with specific milestones that will be achieved during the onboarding process, what is expected of both parties, and communicate a clear understanding from both sides. This will ensure that both the employer and employee are aligned from the very beginning. The last thing you want is an employee to be unsure of what is happening and the next steps after accepting an offer. Especially during a time when insecurity is the norm, you don't want them to jump ship for another potential opportunity and quit before they even begin.

2. Introductions and welcoming

Encourage team members to reach out to your new hire and express their excitement to have them join the team. Whether it's through LinkedIn (you can send video messages or voice notes for a nice welcoming touch), email, or video conference software (Zoom), making them feel welcomed and a part of the team is very important, especially being remote. You don't want them to feel alone in their new role and ensure they know the support system that is there to help them with and lend a hand in their onboarding.

3. Digitize your paperwork

It is a must for remote workers, especially during COVID-19 and self-isolation, to be able to fill out all of their paperwork online. Software like DocuSign and Signority allow organizations to manage electronic agreements and eSignatures. There are still companies that have not yet embraced this technology which results in employees physically not being able to get paperwork back to their employers for a quick and smooth onboarding process. Many people don't have printers, faxes, scanners in their homes and don't have access to places to use one during the pandemic. Don't be a dinosaur and ensure that your organization is utilizing smart technology to adapt to a remote onboarding experience.

4. Equipment for home offices

There are a number of individuals that do not have a home office setup. They may not have needed one in the past. Even things like a desk and chair might be needed for someone to perform their job remotely in an ergonomic manner. Consider these needs of a new employee and make sure they are set up to perform and maximize their comfort and efficiency at home. Think about setting aside a budget for new remote workers to help them get set up in their homes. There are also the more obvious essentials to be able to work remotely, including a laptop. If their job requires the use of any software, consider installing everything before shipping it to ensure that all they have to do is open it up and turn it on. Not everyone is technically sound enough to be setting up the necessary tools and softwares on their own. Creating the easiest employee onboarding experience will go a long way - don't have your new hires frustrated by their tech or have a delayed ability to contribute to the company on their first day.

Consider the role and what office supplies are a necessity that would normally be at the office. Things like calculators, folders, pens, paper, etc. All of these considerations should be accounted for and shipped to the employee prior to their first day as well.

5. Create and share your remote work policy

According to upwork.com 63% of businesses (pre-COVID-19) had remote workers yet only 43% of those businesses had a remote work policy in place. Our guess is that the number of companies with remote workers has increased drastically and the percentage of those with policies has drastically decreased since COVID-19. Some of the items that may be in your remote work policy might include: typical hours of operations and hours of availability, how they are expected to communicate with team members, how to be reimbursed for office expenses etc.

6. Create a positive employee experience on the first day

Most companies would usually take out new hires for lunch on their first day. Since remote workers don't have that luxury, schedule a virtual coffee meeting with the team at some point during their first day. This will allow the new employee to connect on a more personal level outside of "work", get to know one another, and get a feel for team dynamics.

In addition, schedule a meeting with their boss. Ensure that this meeting covers clear expectations and guidelines for the new employee and provides an overview of the company's vision and goals. The management team is ultimately responsible for their success so it only makes sense to have a meeting on day 1. It is also important for remote workers to understand how to align their goals and ambitions with the company. Employees want to do meaningful work and contribute as quickly as possible.

7. After the first day

Onboarding needs to be a 3 month (or more) process to help a new hire feel acclimated and motivated to perform. It is essential, especially with remote workers, to have early and frequent two-way communication. Consider incorporating virtual executive coaching for executive-level remote workers as part of your onboarding process. Executive coaching is a rigorous learning process with the overall objective of acquiring, developing, and maintaining effective leadership skills and behaviours. Coaching is a positive process aimed at equipping individuals with the skills to emphasize their strengths and capitalize on their areas of development. The role of the coach is to ask the right questions to get the executive to think about how he or she can approach their job differently, and to exceed expectations for performance.

How you onboard a new employee can set the tone for how their experience will be with your company. The process you create needs to aim at engaging, retaining and achieving the peak performance of your new remote workers. Make sure you have a plan to receive and provide feedback to ensure you can optimize the process moving forward.

POST-PLACEMENT STRATEGIES & RESOURCES

It is fundamental to stimulate peak performance of your new hire by providing ongoing, structured and personalized support. Following up and engaging with the candidate placed in their role as a CFO with a predetermined schedule is essential.

47%

of CFOs say their current role lacks capabilities to meet future priorities

Source: E.Y. Forrester, Mcinsey, PWC, Financial Executives research foundation, peak 10 report



EXECUTIVE COACHING

Executive coaching is a rigorous learning process with the overall objective of acquiring, developing, and maintaining effective leadership skills and behaviours. Obtaining the full benefits of coaching requires considerable self-analysis and reflection, which generates the development and execution of an action plan designed to maximize individual, team, and organizational productivity and effectiveness.

Coaching is a positive process aimed at equipping individuals to actualize their strengths and capitalize on their areas of development. It is crucial for coaching to be executive-driven, because what works for one individual may not work for another in a similar situation. The role of the coach is to ask the right questions to get the executive to think about how he or she can approach his or her job differently, and to exceed expectations for performance.



VIRTUAL CONFERENCES & EVENTS

Recommending that your new hire routinely attends conferences and large-scale events that highlight topics that are both relevant to their role and the industry that your company operates in, will be beneficial for him/her to be up-to-date with new trends. Through this, they can develop new, useful relationships and build their own position in the market as an influential thought leader. Liaising with other entrepreneurial minds is effective, as it can push them to be exposed to different ways to approach leadership.



BOARD SIT-DOWNS

Frequent communication with the board chairperson or the entire board, if possible, is crucial throughout the post-placement process. Conversations that encompass areas such as a clear vision, executive team alignment, corporate culture and established accountability metrics should take place.

These conversations, either in-person or virtual are recommended to be formal in nature, so that focus is kept around the success of your newly appointed CFO within your company. The more comfortable the CFO becomes with the board, the more at ease they will feel to express any hesitation or resistance to the vision or change to undertake. Over-communicating is not seen as a negative thing, it showcases that you're being proactive with setting up the new hire for success.



VIRTUAL SEMINARS & WORKSHOPS

A successful CFO focuses on listening, asking questions and using those answers to constantly learn new ways to problem-solve. CFOs benefit greatly from attending professional seminars and usually have required learning for professional designations. An interactive learning approach is highly effective to gain a better comprehension of material. By understanding that they do not always “know everything”, attending smaller-scale seminars will provide more personal experiences for the CFO to equip your organization with skills to enhance company performance.



C-SUITE PLACEMENTS

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Keynote Search is an industry leading executive search and recruitment firm that helps businesses and organizations find, fit, and achieve the peak performance of their new hires. Keynote Search understands the depth and fundamental influence that an executive level employee has within an organization and ultimately, with the outcome of the success of the people in your organization.

The future success of an organization is shaped by its people.

Keynote Search is passionate about finding the best people, building successful teams and adding value to your organization through leadership excellence. Selecting a new employee is a critical decision that requires a comprehensive approach to maximize success and minimize the risk of the hire.

Keynote Search provides you with access to the support mechanisms required to improve your engagement, retention, development and succession opportunities. Keynote Search has re-engineered recruitment and coupled it with the best processes around onboarding, coaching, team dynamics, engagement and development to provide you with a holistic solution to talent management.

With numerous executive level recruitment searches completed, Keynote Search has great successes within C-Suite level placements and ensuring their ongoing, optimal performance as a leader.



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